NTEGRATOR

TODAY'S INTEGRATION, TOMORROW'S SOLUTION

AND THE FORTHCOMING GROWTH

ANNUAL REPORT 2022

OUR VISION

To be a Global, World-Class Provider of Information Technology and Telecommunication Solutions, Offering High-Tech Network Infrastructure and Voice Communication Systems

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ABOUT **US**

Established in 2002 and listed on SGX Catalist (formerly known as SESDAQ) in 2005, Ntegrator Holdings Limited (“**Ntegrator**” and together with its subsidiaries the “**Group**”) is a leading communications network specialist and business systems integrator providing high-tech world-class communication systems and solutions.

Ntegrator continues to serve government-linked corporations and major telecom operators throughout the ASEAN and Asian regions. Headquartered in Singapore, Ntegrator’s market presence covers Hong Kong, Singapore and Vietnam.

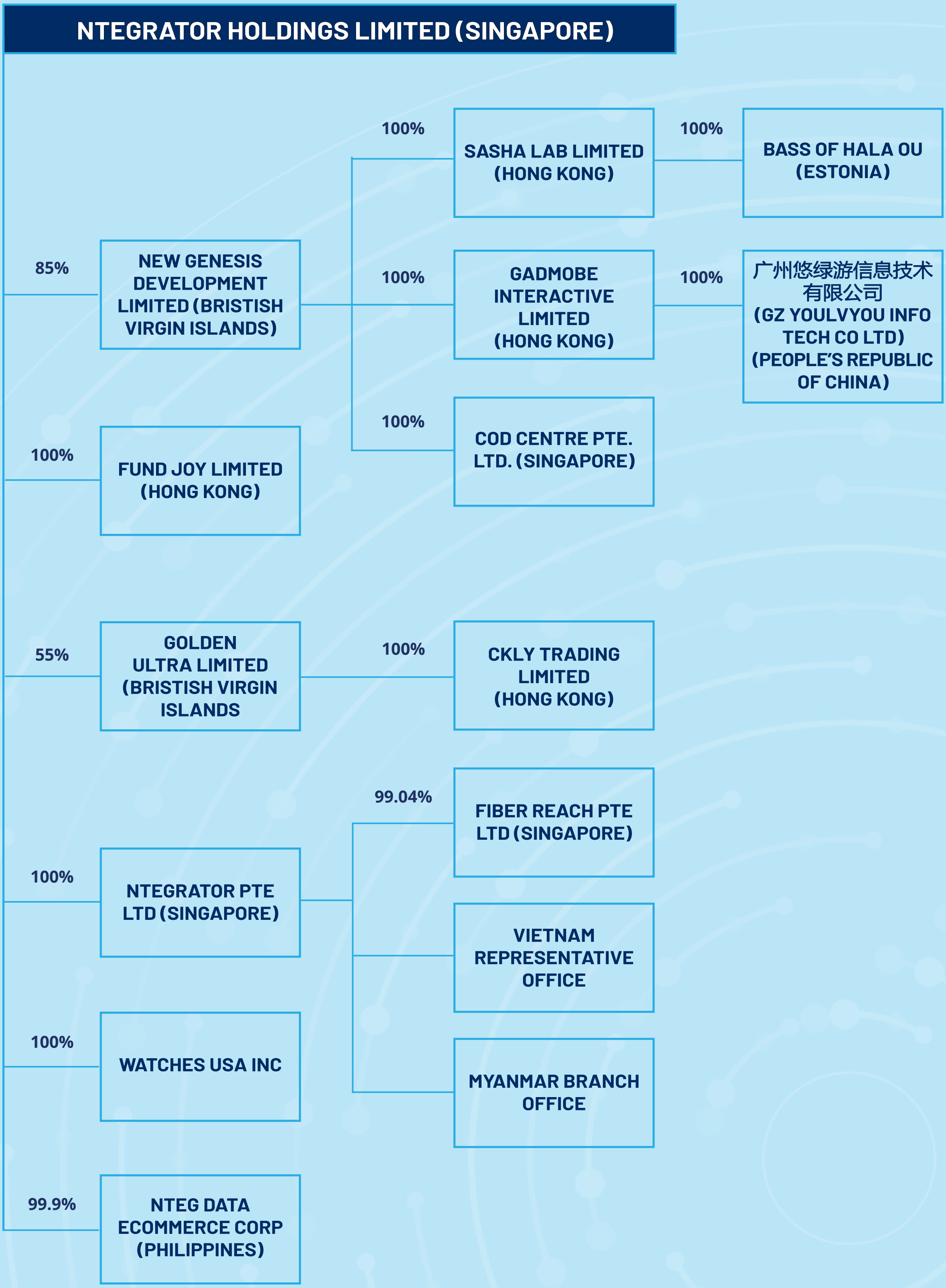
Ntegrator is mainly engaged in the designing, installing and implementation of data, video, fiber optics, voice communication systems, wireless and cellular network infrastructure. The Group also provides fiber cable installation, pipe laying, project management services as well as maintenance and support services.

The Group also operates an omnichannel ecommerce platform selling watches mainly in Hong Kong.

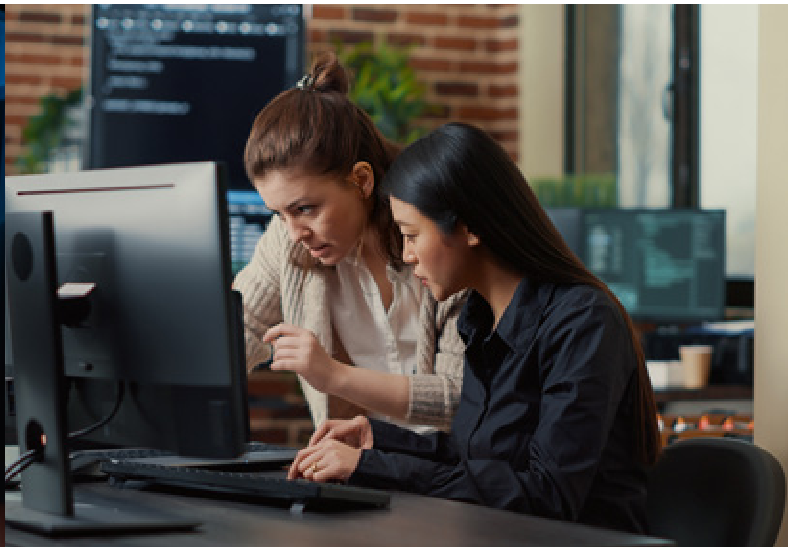
ABOUT US

OUR GROUP STRUCTURE

As at the Date of This Annual Report



OUR BUSINESS



PROJECT SALES

NETWORK INFRASTRUCTURE

We integrate network infrastructure which enables end-users to communicate electronically within an organization or with another organization, either within the same country or globally.

We provide end-to-end infrastructural business solutions, such as:

- Network integration services, from fixed-line, e.g. Optical Dense Wavelength Division Multiplexing (“**DWDM**”), Synchronous Digital Hierarchy (“**SDH**”), Internet Protocol Digital Subscriber Line Access Multiplexer (“**IPDSLAM**”) and Asymmetric Digital Subscriber Line (“**ADSL**”) to wireless solutions like e.g. Microwave, Very Small Aperture Terminal (“**VSAT**”) and Worldwide Interoperability for Microwave Access, (“**WIMAX**”)
- Design, installation and implementation of data, video, fiber optics, wireless and cellular network infrastructure
- Customized solutions according to customers’ needs.

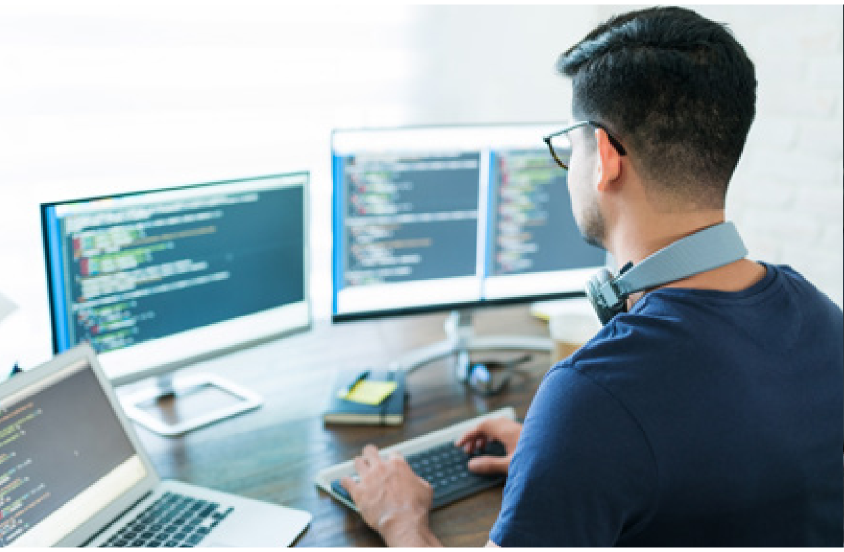
VOICE COMMUNICATION SYSTEMS

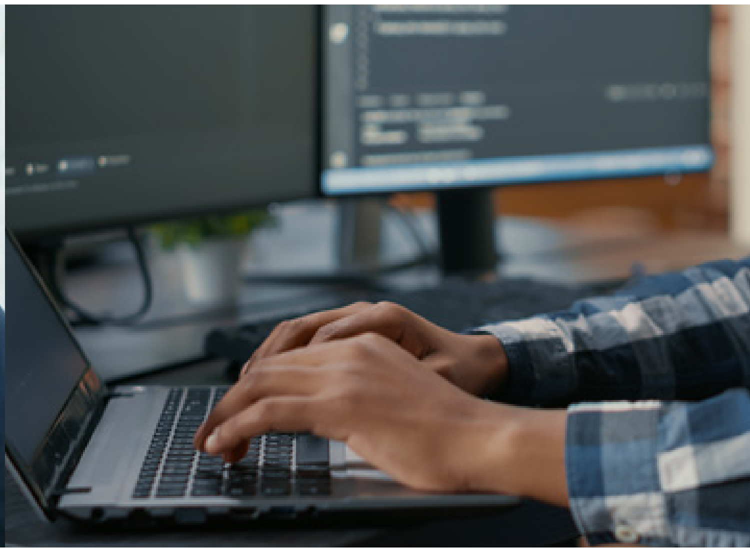
We seamlessly integrate voice and data signals used in large organizations’ telephone network, which include:

- **PRIVATE AUTOMATIC BRANCH EXCHANGE (“PABX”)**
- **VIDEO CONFERENCING SYSTEMS**
- **VOICE MESSAGING, RECORDING OR LOGGING SYSTEMS**
- **VOICE OVER INTERNET PROTOCOL (“VOIP”) APPLICATIONS.**

We also offer flexible and user-configurable systems for exact customization to our customers’ needs, ensuring the delivery of end-to-end enterprise business solutions.

OUR BUSINESS





PROJECT MANAGEMENT & MAINTENANCE SERVICES

Our Project Management and Maintenance Services include the provision of installation and implementation services for our network infrastructure and voice communication systems.

We also offer onsite and online maintenance and support services. These services are supported by our 24-hour fault control hotline, hardware and software repair services, online Customer Relationship Management ("**CRM**") system services, 24-hour onsite support services and 24-hour remote dial-in services.

THESE SERVICES ARE SUPPORTED BY

24-hour fault control hotline

Hardware and software repair services

Online Customer Relationship Management ("CRM") system services

24-hour onsite support services

24-hour remote dial-in services

OUR BUSINESS

RETAIL

Retail segment provides for the retailing and designing, manufacturing, marketing, distributing, trading and selling of watches and watch accessories through the Group's own- and third-party internet websites, mobile applications, retail stores and online platforms.

DIGITAL ADVERTISING AND E-COMMERCE

Digital advertising and E-commerce segment consists of digital advertising, digital content distribution and cross border E-commerce.

Digital advertising and digital content distribution uses big data and business intelligence technology to provide a comprehensive strategy in media buying, social media marketing, live-streaming, SEO and other emerging media.

Cross border E-commerce segment involves designing and marketing of in-house branded bags and accessories on global online marketplaces such as Amazon, Lazada and Shopee.

LETTER TO SHAREHOLDERS

The Board of Ntegrator Holdings Limited. ("**Ntegrator**" or the "**Group**") is pleased to present our Annual Report 2022 ("**AR2022**") for the full year ended 31 December 2022. We would like to seize this opportunity to address our financial performance, key operational challenges, provide some corporate updates and to set our key priorities for the year ahead.

FY2022 FINANCIAL REVIEW

The Group's revenue leaped by 203.12% from S$25.7 million in FY2021 to S$77.9 million in FY2022 mainly attributed to positive revenue contributions from the (i) Retail, (ii) Internet Marketing and (ii) Project Management and Maintenance Services business segments.

Gross profit rose by 32.7% from S$5.5 million in FY2021 to S$7.3 million in FY2022 while gross profit margin declined from 21.4% in FY2021 to 9.4% in FY2022.

As the region entered into an inflationary business environment triggered by the Russian-Ukrainian war, Singapore recorded its highest inflation[1] in 14 years. The Group's net losses after tax widened from S$2.9 million in FY2021 to S$6.2 million in FY2022 because of (1) higher cost of sales, (2) decrease in other gains from Covid-19 Government support schemes as well as fair value losses, (3) higher distribution and marketing expenses and (4) increase in administrative expenses.

The Group continued to maintain cash and cash equivalents of S$5.6 million as of 31 December 2022 while its outstanding order book stood at S$74.9 million as of 31 December 2022.

REBRANDING NTEGRATOR

With effect from 9 March 2023, the Group will be renamed to Ntegrator Holdings Limited from Watches.com Limited. Previously, in conjunction with the exclusive non-binding Letter of Intent ("**LOI**") on 19 January 2022 to acquire Watches.com for US$11.0 million, the Group wanted to move swiftly ahead with the rebranding exercise to launch our new business direction better as we move into the omnichannel retailing business of watches to be more attractive to watch buyers and increase brand awareness.

Following the expiry of the LOI on 30 June 2022 and in consultation with the Group's regional telco clients, we have taken the necessary step to rename the Group to Ntegrator to pay homage to our historic roots as a recognised leading communications network specialist and systems integrator in the region.

POSITIVE REVENUE CONTRIBUTION FROM THE E-COMMERCE & WATCH BUSINESS

Following the conclusion of an Extraordinary General Meeting ("**EGM**") on 15 December 2021, the Group received shareholders' approval for the proposed business diversification into (a) the e-commerce business and (b) watch business. This will enable us to generate new revenue streams.

Retail Business - Bestwatch.com.hk

On 21 April 2022, Ntegrator completed the acquisition of a 55.0% stake in Golden Ultra Limited ("**GUL**") for an initial maximum purchase consideration of S$19.2 million, which is subject to payment of earnout incentives to be fulfilled at future dates. Through GUL's wholly owned subsidiary, CKLY Trading Limited ("**CKLY**"), GUL is in the business of trading luxury watches via an online platform known as **www.bestwatch.com.hk**, which sells various luxury watch brands to customers in Hong Kong and other countries since 2016.

Revenue contribution from the Group's Retail business segment grew from S$3.1 million or 12.1% in FY2021 to S$52.4 million or 67.3% in FY2022, representing the Group's key revenue driver.

Internet Marketing Business
- New Genesis Development Limited

Furthermore on 30 May 2022, our Group completed the acquisition in 85.0% of New Genesis Development Limited ("**NGDL**"), which owns 100.0% of Gadmobe Group, for an initial maximum purchase consideration of S$17.9 million, which is subject to payment of earnout incentives to be fulfilled at future dates. NGDL and its subsidiaries are in the business of providing information technology services, payment gateways, e-commerce solutions, big data analytics, digital advertising, value-added logistic services and developing e-commerce mobile applications.

The Group added a new revenue stream from its Internet Marketing business, generating S$3.0 million or 3.9% of the Group's revenue in FY2022.

KEY CHALLENGES IN FY2022

Our shares were suspended on the 13 September 2022 pending the outcome of (A) the Notice of Compliance ("**NOC**") issued by Singapore Exchange Regulation ("**SGX RegCo**") on 27 June 2022 and (B) the investigations conducted by the Hong Kong Customs and Excise Department ("**C&E**") on CKLY in relation to the Trade Description Ordinance on 31 August 2022.

The Group had appointed Provenance Capital Pte. Ltd. as the Joint Independent Reviewer with SGX RegCo to review all corporate actions and fund raising exercises conducted by Ntegrator and Incredible Holdings Ltd in the last twelve months from 27 June 2021. Our Group is focused on strengthening our corporate governance standards, compliance and audit process going forward.

The Group had proactively conducted rigorous internal due diligence review on the procurement sources of its watches and maintained that the watches were authentic and genuine at the time of purchase. As a result, the Group had through its legal advisors written in to C&E to clarify and clear the allegations against CKLY on 3 October 2022. On 11 May 2023, C&E had concluded its investigations and cleared all allegations against CKLY, its management and sales staff.

[1] https://www.bloomberg.com/news/articles/2022-10-25/singapore-core-inflation-quickens-for-seventh-month-in-september#xj4y7vzkg

LETTER TO SHAREHOLDERS

Shareholders will be updated via SGXNet on the outcome of (A). We seek the patience and kind understanding of our valued shareholders as we work towards resuming the trading of our shares as soon as possible subject to approval from the relevant authorities.

MARKET OUTLOOK FOR TELECOM INFRASTRUCTURE

Based on GSMA Intelligence[2] estimates, capital expenditure by mobile telecom operators are set to be well over US$600.0 billion between 2022 to 2025 as they roll out 5G networks and add 400.0 million new subscribers, mostly from the Asia Pacific region.

According to Frost & Sullivan[3] , Asia Pacific's network infrastructure investments are set to record a revenue CAGR of 3.6% from 2021 to 2027 reaching US$489.2 billion by 2027. These will be triggered by rapid growth in digitalization in a short period of time to support transformational market trends such as remote working and online learning. Enterprises are progressively adopting next-generation ICT solutions such as cloud technology, big data, artificial intelligence-driven mechanisms in the digital transformation revolution. The region had witnessed considerable growth in the adoption of rich media content and digital services like video streaming and conferencing, digital financial services, and eCommerce to meet consumers' evolving digital lifestyles.

Our Group had continued to build-up our orderbook, securing three major contracts from two telecom operators amounting to a total of S$40.1 million worth of contracts in 2022. S$8.7 million secured on 25 August 2022 was a maiden contract to install and maintain duct lines and manhole in the Orchard region. The two other contracts of S$31.4 million announced on 3 October 2022 for major and minor pipeline installations and maintenance works were secured with a long-time customer.

MARKET OUTLOOK FOR THE WATCH MARKET

According to Straits Research[4] , the global luxury watch market is projected to reach US$12.2 billion by 2030, growing at a CAGR of 5.6% from 2022 to 2030.

Statista[5] reported revenue in the luxury watch market including smart watches by luxury brands amounts to US$26.4 billion in 2023, driven mainly by strong demand from China of US$10.9 billion in 2023. The market is expected to grow annually by a CAGR of 2.9% from 2023 to 2028. According to the report, eCommerce sales hold high growth potential, yet they are comparatively underdeveloped in the luxury watch market. The industry has been slow to embrace this sales channel out of an aversion against the high visibility on platforms, whose content the brands cannot completely control, as well as an unwillingness to disrupt the well-functioning distribution structure, which still relies heavily on independent retailers and department stores. This digital space has been explored instead by design-focused online-pure start-up brands in the mid-market to entry-level luxury region, like Sweden's Daniel Wellington, which use the benefits of social media marketing.

Our Group will continue to pursue growth in building an omnichannel platform for luxury watch enthusiasts to capture the coming uptrend in luxury watch eCommerce.

KEY PRIORITIES FOR FY2023

The same operating challenges will continue to persist throughout FY2023 impacted by higher interest rates and inflation onto operating costs.

We will strive forward into FY2023 to (1) improve and retain our core business of system integration and communications network specialist, (2) streamline all our cost drivers, (3) optimise our corporate overheads to turnaround our financial performance, (4) continue to generate healthy contract winning momentum, (5) expand the omnichannel of the watches retailing business.

Internally, we will continued to (1) drive efforts in optimisation and digitalisation throughout the Group, (2) sharpen our risk management and compliance, (3) restructure our cost base, (4) upgrade our Environment, Social and Governance ("**ESG**") policies and practices to meet global standards and (5) expedite the resumption of the trading of our shares as quickly as possible.

APPRECIATION

First and foremost, we would like to express our gratitude to all our valued customers for their unwavering trust and vote of confidence in us and our track record. This gives us strong encouragement to continuously deliver timely and quality works in the telecom infrastructure industry as well as improving their user experience in our platforms and the overall watch purchase experience in the watch business.

We would also like to make use of this opportunity to thank our key management and all our staff for their hard work, relentless commitment, sacrifices and their contributions to the Group in these tough and challenging times.

In addition, we would like to thank all our vendors, suppliers, working and business partners for their continual support throughout the years.

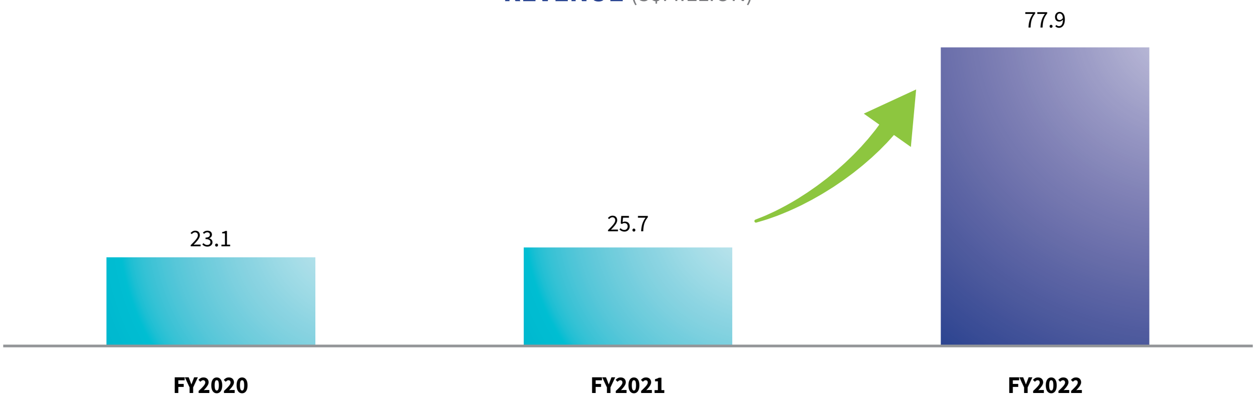
Last but not least, We would like to extend our warmest appreciation to all our shareholders for their faith and support in the strategic direction of the Group as we manoeuvre the Group through troubled waters to refocus back on growing their shareholder returns and building a sustainable future together.

By the Board

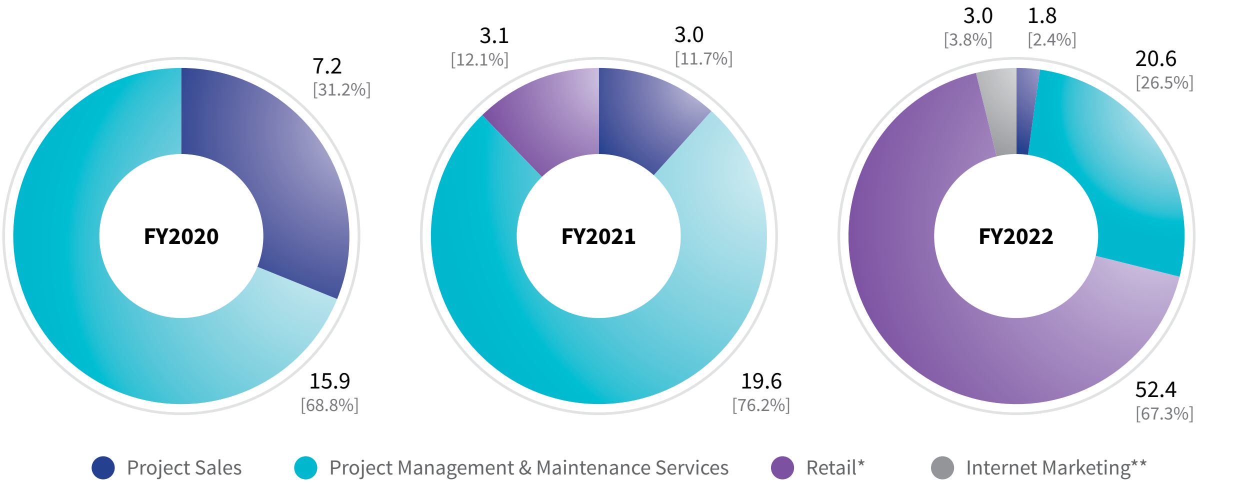
[2] https://www.gsma.com/mobileeconomy/wp-content/uploads/2022/02/280222-The-Mobile-Economy-2022.pdf
[3] https://www.frost.com/frost-perspectives/3-growth-strategies-to-capture-revenue-opportunities-in-the-telecommunication-services-industry-in-asia-pacific/
[4] https://straitsresearch.com/report/luxury-watch-market
[5] https://www.statista.com/outlook/cmo/luxury-goods/luxury-watches-jewelry/luxury-watches/asia

FINANCIAL HIGHLIGHTS

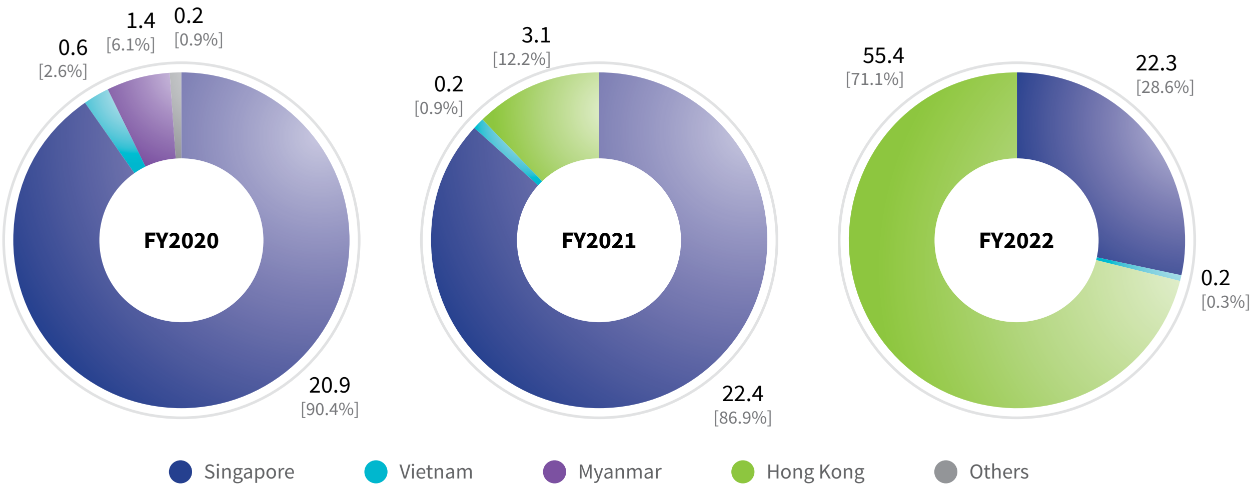
REVENUE (S$MILLION)



REVENUE BY SEGMENTS [S$MILLION]



REVENUE BY GEOGRAPHY [S$MILLION]

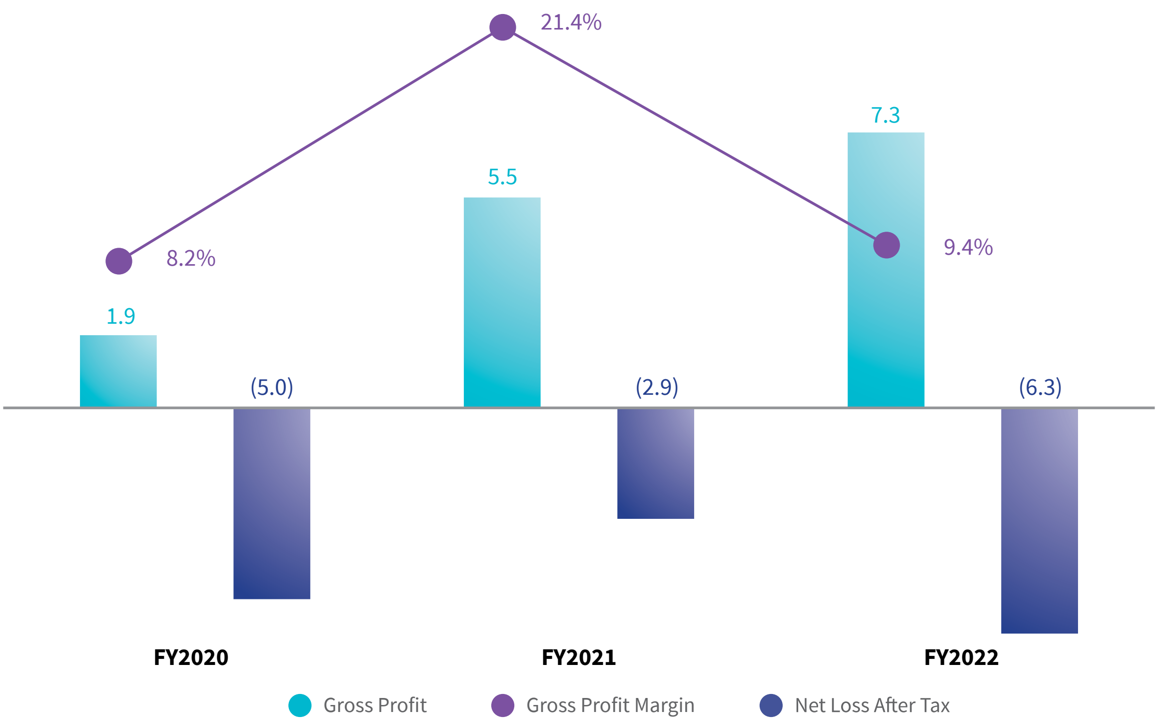


* New business segment as of FY2021

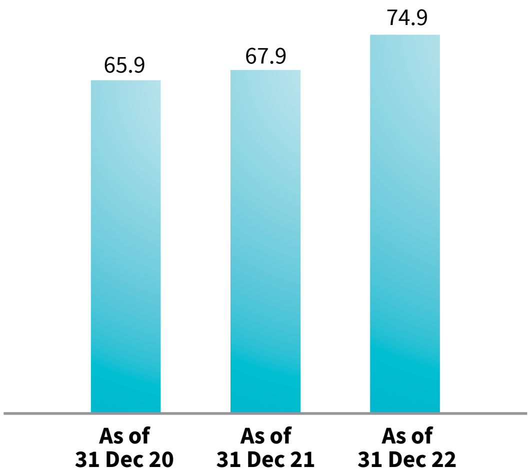
** New business segment as of FY2022

FINANCIAL HIGHLIGHTS

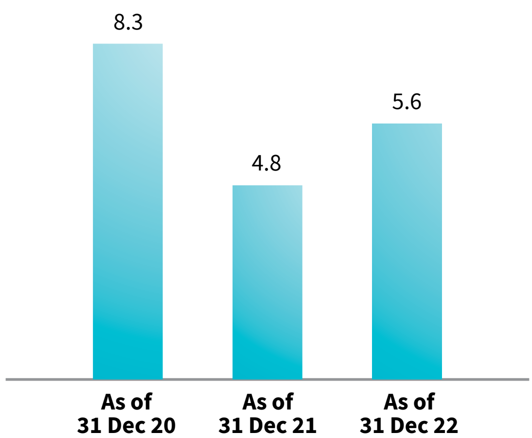
GROSS PROFIT, GROSS PROFIT MARGIN & NET LOSS AFTER TAX (CENTS)



ORDERBOOK (S$ MILLION)



CASH AND CASH EQUIVALENTS (S$ MILLION)



NET ASSET VALUE PER SHARE (CENTS)

AS OF 31 DEC 20	AS OF 31 DEC 21	AS OF 31 DEC 22
0.84	0.68	0.84
Total number of issued shares (excluding treasury shares)		
1,065,395,234	1,464,458,714	532,685,377

OUR BOARD OF DIRECTORS

MR CHAY YIOWMIN

Independent Non-Executive Chairman and Independent Non-Executive Director

Appointed in September 2021

Chairman of Audit Committee, Member of Remuneration and Nominating Committee

Mr. Chay Yiowmin is currently the Chief Executive Officer of Chay Corporate Advisory Pte. Ltd., a boutique corporate advisory firm. Yiowmin is also the Lead Independent and Non-Executive Director of UMS Holdings Limited, Raffles Infrastructure Holdings Limited and Mary Chia Holdings Limited, and a Non-Executive Director of 8I Holdings Limited. He previously served the Boards of Advance SCT Limited, Metech International Limited and Libra Group Limited.

Since graduating in 1998, Yiowmin has accumulated many years of public accounting experience in Singapore and the United Kingdom with a number of reputable international accounting firms, including PricewaterhouseCoopers LLP, Deloitte and Touche LLP, Moore Stephens LLP and BDO LLP, the latter of which he was the Advisory Partner heading the Corporate Finance Practice from 2012 to 2019. Yiowmin was also an Assurance Partner from 2010 to 2012, specialising in financial services and shipping.

Yiowmin holds a Bachelor of Accountancy (Honours) and a Master of Business from Nanyang Technological University, and a Master of Business Administration from the University of Birmingham. Yiowmin is also a Fellow Chartered Accountant of the Institute of Singapore Chartered Accountants, an Associate Chartered Accountant of the Institute of Chartered Accountants in England and Wales, and a Chartered Valuer and Appraiser of the Institute of Valuers and Appraisers of Singapore ("**IVAS**"). Yiowmin currently sits on the Singapore steering committee of the Professional Risk Managers' International Association, and the Standards and Technical Committee of IVAS, the latter of which Yiowmin is also a Programme Instructor. Yiowmin is also an Associate Lecturer with the Singapore University of Social Sciences teaching Financial Statements Analysis and Valuation.

Yiowmin is also an active Grassroots Leader, serving as Chairman of the Sengkang Central Citizens Consultative Committee, Treasurer of the Fernvale Community Development and Welfare Fund, Assistant Treasurer with the Fernvale Citizens Consultative Committee and the Kebun Baru Citizens Consultative Committee. Yiowmin is also a Member of the Kebun Baru Inter-Racial and Religious Confidence Circles. Yiowmin was awarded the Pingat Bakti Masyarakat (Public Service Medal) by the President of the Republic of Singapore in 2016.

MR CHRISTIAN KWOK-LEUN YAU HEILESEN

Executive Director

Appointed in May 2021

Mr. Heilesen is presently an Executive Director at SGX-listed Incredible Holdings Ltd. He was an Internet entrepreneur and founded an internet and mobile value-added services company in August 2003. He discovered the potential of online business when he was working part-time after school in his hometown, Copenhagen, Denmark. In 1999, Mr. Heilesen started using his own network of high traffic websites to bring traffic to Fortune 500 advertisers through affiliate programs such as Commission Junction and Websponsors. After graduating from college in 2002, Mr. Heilesen decided to leave Copenhagen and to further develop online business opportunities in Hong Kong. Mr. Heilesen has 10 years of experience dealing with corporate finance, investment activities and banking facilities.

MR HAN MENG SIEW

Executive Director

Appointed in July 2004

Mr. Han was last re-elected to the Board on 26 April 2018. Mr. Han brings with him 40 years of experience in the telecommunications industry.

Mr. Han started his career in the telecoms industry with Singapore Telecommunications Limited ("**Singtel**") in 1981. Thereafter in 1987, he moved to Teledata (Singapore) Ltd ("**Teledata**") serving as General Manager, and subsequently promoted to Managing Director. He was instrumental in the turnaround of Teledata, guiding it to its SGX Exchange Limited ("**SGX**") listing in 1994.

Mr. Han holds a Bachelor of Engineering from the National University of Singapore and a Graduate Diploma in Business Administration from the Singapore Institute of Management.

OUR BOARD OF DIRECTORS

MR LEUNG KWOK KUEN JACOB

Independent Non-Executive Director
Appointed in May 2021
Chairman of Remuneration and Nominating Committee, Member of Audit Committee

Mr. Leung Kwok Kuen Jacob is presently the Non-Executive and Non-Independent Director of SGX-listed Incredible Holdings Ltd. since 2015. Mr. Leung has extensive experience in administrative management. From 2003 to April 2016, he assisted the incorporation of Eternal Pearl Securities Limited ("**Eternal Pearl**") in Hong Kong, a licensed corporation to conduct type 1 (dealing in securities) and type 2 (dealing in futures contracts) regulated activities under the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong (the "**SFO**"). Since the incorporation of Eternal Pearl, Mr. Leung has been the Administrative Manager and responsible for overseeing its support operations, planning, organizing and implementing its administrative systems.

MR LEUNG YU TUNG STANLEY

Independent Non-Executive Director
Appointed in May 2021
Member of Audit, Remuneration and Nominating Committee

Mr. Leung Yu Tung Stanley is presently the Financial Controller of Siu Siu Style Company Limited since 2021 and is also serving SGX-listed Incredible Holdings Ltd. as its Independent Director since 2017.

With over 20 years of experience in the accounting and finance field, Mr. Leung's previous stints include Financial Controller of Wewenet Limited from 2020 to 2021 and as Finance Controller of Luen Hing Textile Company Limited from 2013 to 2019. Prior to that, Mr. Leung worked in the Sweet Dynasty Group as its Finance Manager from 2012 to 2013.

Mr. Leung was admitted as a fellow member of The Hong Kong Institute of Certified Public Accountants and fellow member of Association of Chartered Certified Accountants since 2015 and 2010 respectively. He became a Certified Tax Adviser of The Taxation Institute of Hong Kong since 2010. Mr. Leung obtained his Master of Professional Accounting and Bachelor of Arts (Honors) Accountancy from the Hong Kong Polytechnic University in 2010 and 2003 respectively and his Higher Diploma in Accountancy from the City University of Hong Kong in 2000.

MS ZHOU JIA LIN

Independent Non-Executive Director
Appointed in May 2021
Member of Audit, Remuneration and Nominating Committee

Ms. Zhou Jia Lin was appointed Non-Executive and Non-Independent Director of Incredible Holdings Ltd. on 26 October 2010.

Having worked as a director of Pinnacle Investment Hong Kong from 1998 to 2002 where she first started, she later undertook corporate finance projects and assisted in looking for viable businesses to invest in. Her many years of involvement in investment businesses brought her to expand and diversify her existing investment portfolio into Ntegrator Group. In her investment portfolio, she has a wide network with corporate finance professionals, capital advisors and bankers exploring other potential tie-ups, acquisitions, investments and alternative investment opportunities both in China and overseas.

MR TAO YEOH CHI

Independent Non-Executive Director
Appointed in December 2021

Mr. Tao is presently an Independent Non-Executive Director of SGX-listed, Alset International Ltd. He began his career in the Singapore public service sector, where he held senior positions in various ministries. He later joined a few multinational companies before starting his own business.

Mr. Tao holds a Bachelor of Engineering (First Class Honours) and a Bachelor of Arts (Economics) from Newcastle University, Australia.

OUR KEY MANAGEMENT

MR JIMMY CHANG JOO WHUT

Executive Officer

Joined in 2002

Mr. Chang was appointed Director on 1 July 2002. He has been our Managing Director since the establishment of the Group in 2002 till April 2021, responsible for the day-to-day operations and overseeing the overall business, development and engineering support of our Group. He has also taken over the role of Group General Manager, Network Infrastructure (Singapore) since April 2023.

Mr. Chang initially began his career in the telecommunications industry at Singtel in 1980. After a five-year stint at Wandel & Goltermann Ltd, Mr. Chang joined Teledata in 1993, moving on to be an Executive Director cum General Manager of Plexus Technology Pte Ltd, a subsidiary of Teledata, in 1996.

Mr. Chang has an Industrial Technician Certificate in Electrical Engineering from the Singapore Technical Institute and a Diploma in Telecommunications from City & Guild in London.

He also serves as a School Advisory Committee Member of Pierce Secondary School.

MR KENNETH SW CHAN KIT

Financial Controller

Joined in 2002

Mr Sw is responsible for the Group's financial activities. As one of the pioneer staff who joined Ntegrator Holdings Limited since its inception in 2002, he has developed, built and implemented the region-wide financial framework, processes and procedures which support the Group's operations.

Mr. Sw started his career with Matsushita Electronics (S) Pte Ltd and has, in the course of more than 30 years in the financial field, moved up to positions of higher responsibilities, both at HQ and regional levels. He has held positions as Finance Manager and Chief Financial Officer in various organisations, including Sembawang Engineering Pte Ltd, Teledata (Singapore) Ltd, e-Cop Pte Ltd and Intrawave Pte Ltd.

Mr. Sw is a Fellow of the Association of Chartered Certified Accountants and non-practicing fellow member of the Institute of Singapore Chartered Accountants.

CORPORATE GOVERNANCE **REPORT**

The Board of Directors (the "**Board**") of Ntegrator Holdings Limited (the "**Company**") is committed to maintaining a high standard of corporate governance. This report describes the Company's corporate governance practices with specific reference to the principles and provisions of the 2018 Code of Corporate Governance (the "**2018 Code**"), as required under Rule 710 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**").

The Board confirms that, as at the date of this report, the Company has complied with the principles and provisions of the 2018 Code and its related practice guide. Where there are any deviations from the provisions of the 2018 Code, appropriate explanations have been provided in this report.

BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

Directors are expected to objectively discharge their fiduciary duties and responsibilities at all times in the best interests of the Company and ensure proper accountability within the Company. Provision 1.1

The principal functions of the Board are:

(a) providing entrepreneurial leadership, setting corporate objectives and approving the Group's key business strategies, human resources and financial objectives;

(b) ensuring that the necessary resources are in place for the Company to meet its strategic objectives;

(c) approving the annual budget, major investments and divestments, and funding proposals;

(d) overseeing the processes for evaluating the adequacy and effectiveness of internal controls (including financial, operational, compliance and information technology controls) and risk management systems annually;

(e) setting appropriate tone-from-the-top and desired organisational culture;

(f) setting the Company's values and standards, including ethical standards to ensure obligations to shareholders and other stakeholders are met including safeguarding of shareholders' interests and the Company's assets;

(g) identifying key stakeholder groups and recognizing the importance of their perception on the Company's standing and reputation;

(h) approving the nominations of Directors and appointments of key management personnel;

(i) approving financial statements, half year and full year results and relevant announcements;

(j) working with the Management for the long-term success of the Company, reviewing the Management's performance and holding the Management accountable for performance;

(k) assuming responsibility for corporate governance and compliance with the Companies Act and the rules and requirements of regulatory bodies; and

(l) considering sustainability issues, e.g. environmental and social factors as part of the Group's strategic foundation.

In a conflict of interest situation, a Director recuses/abstains himself from discussions and decisions involving the matter/issue of conflict.

The Directors are familiar with the Group's business and governance practices and have been briefed on their duties and responsibilities as Directors of a listed company. In addition, Directors are regularly briefed on changes to the Accounting Standards, Companies Act, Catalist Rules and Corporate Governance rules/regulations by the External Auditor, Company Secretary and Sponsor. Provision 1.2

To keep abreast with latest developments in corporate, financial, accounting, legal, industry-specific knowledge and other compliance requirements, Directors (including first time directors) are also encouraged to attend training courses/seminars funded by the Company.

During FY2022, briefings were provided by the external auditors to the Audit Committee members and the Board on the new developments and changes in accounting standards. The Management routinely update the Board at Board meetings on business and strategic developments relating to the Company's business operations and the industry that the Company is operating in.

New Directors, when appointed to the Board, would be briefed on the Group's business activities and its strategic directions as well as their statutory and other duties, responsibilities and obligations as a Director. Formal letters are issued upon appointment, to further explain their duties and obligations.

The Company will arrange and fund the requisite training as prescribed by the SGX-ST under Rule 406(3)(a) and Practice Note 4D of the Catalist Rules within one (1) year from the date of appointment for newly appointed directors who do not possess any prior experience as a director of a Singapore public listed company.

Mr Chay Yiowmin, Mr Christian Kwok-Leun Yau Heilesen, Ms Zhou Jia Lin, Mr Leung Kwok Kuen Jacob, Mr Tao Yeoh Chi and Mr Leung Yu Tung Stanley have attended the training on sustainability matters as prescribed by SGX-ST.

Mr Han Meng Siew has not attended the training on sustainability matters as prescribed by SGX-ST due to health issues and he has confirmed his commitment to attend the training on sustainability matters as prescribed by SGX-ST by December 2023.

The Board has adopted internal guidelines on matters reserved for the Board's approval including the following material transactions, which have been clearly communicated to the Management in writing: Provision 1.3

- strategies and objectives of the Group;
- investment and divestment;
- funding and major capital investment;
- acceptance of term loans and lines of credit from banks and financial institutions;
- announcement of half-year and full-year results;

CORPORATE GOVERNANCE **REPORT**

- Letter to shareholders, corporate governance report and issuance of Annual Report;
- issuance of shares; and
- proposal of/declaration of dividends.

To assist the Board in discharging its duties, the Board delegates specific functions to its Board Committees, namely, the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**"). Each Board Committee operates within its own Terms of Reference which set out in writing the composition, duties, authority and responsibilities of each committee. The Board Committees remain accountable to the Board.

Provision 1.4 Catalist Rule 406(3)(c) Catalist Rule 406(3)(e) Catalist Rule 1204(10B)

Details of the respective Board Committees are set out in the following sections:

(i) Nominating Committee (Principle 4);

(ii) Remuneration Committee (Principle 6); and

(iii) Audit Committee (Principle 10).

The Board conducts regular scheduled meetings during the year. When required, ad-hoc meetings are conducted to address significant issues or approve major transactions.

Provision 1.5

The Company's Constitution allows Board meetings to be conducted by way of telephone conferencing or any other electronic means of communications. When a physical meeting is not possible, timely communication with the Directors is achieved through electronic means and circulation of written resolutions for approval.

The attendance of the Directors at meetings of the Board and Board Committees, as well as the frequency of such meetings in the financial year ended 31 December 2022 ("**FY2022**") are summarised in the table below:

Directors	Board Meetings	AC Meetings	RC Meeting	NC Meeting
No. of Meetings Held in FY2022	2	3	1	1
Chay Yiowmin(1)	2	3	1	1
Christian Kwok-Leun Yau Heilesen	2	2*	1*	1*
Leung Kwok Kuen Jacob(2)	2	3	1	1
Leung Yu Tung Stanley	2	3	1	1
Zhou Jia Lin	2	3	1	1
Tao Yeoh Chi	2	3*	1*	1*
Han Meng Siew	2	1*	0	0

**By invitation*

Notes:

(1) Mr Chay Yiowmin was re-designated as Independent Non-Executive Chairman and Independent Non-Executive Director of the Company with effect from 9 February 2022.

(2) Mr Leung Kwok Kuen Jacob was re-designated as Independent Non-Executive Director of the Company with effect from 9 February 2022.

CORPORATE GOVERNANCE REPORT

The Board is accountable to shareholders while the Management is accountable to the Board. The Management presents to the Board half-year and full-year financial statements and such other reports, prior to meetings and as and when required. Given that the Group's business is based on projects and contracts, the Management provides the Board with regular updates and the status of such projects/contracts either verbally, in writing or at meetings. Provision 1.6

Reports on the Company's performance and business activities and appropriate detailed management accounts together with explanation and information are provided to every Board member in a timely manner and as and when required by the Board, to enable the Board to make a balanced and informed assessment of the Group's performance, financial position and prospects. Such information includes background information, copies of disclosure documents, management reports, budgets, forecasts, financial statements, variance analysis and related documents in respect of matters brought before the Board for discussion. In respect of the budget, any material variances between projections and results will be disclosed and explained.

To keep the Board abreast with the Group's business, the Management meets or communicates (via electronic means) with the Independent Non-Executive Directors regularly to keep them updated and apprised of Group strategies, on-going projects, business environment and related developments that may impact the Group.

All Directors have direct and independent access to the senior management and to the Company Secretary and are entitled to request from the Management and be provided with such additional information as needed to make informed decisions, in a timely manner. Provision 1.7

The Directors, whether individually or collectively, may in furtherance of their duties, seek and obtain independent professional advice as and when the need arises, at the expense of the Company.

The appointment of the Company Secretary and any change thereof is a matter for the Board as a whole. The Company Secretary attends all Board and Board Committee meetings and ensures that the Board procedures are followed, and that applicable rules and regulations are complied with. The Company Secretary is responsible for ensuring good information flow within the Board and its Board Committees and between the Management and Non-Executive Directors, advising the Board on all governance matters, as well as facilitating orientation and assisting with professional development.

With effect from 17 June 2022, Mr Tan Wei Jie, Joel resigned as Joint Company Secretary of the Company. Following his resignation, Ms Shu Shin Yee remained as the Company Secretary of the Company.

Thereafter, with effect from 7 October 2022, Ms Shu Shin Yee resigned as the Company Secretary of the Company and Ms Gn Jong Yuh Gwendolyn was appointed as the Company Secretary of the Company.

CORPORATE GOVERNANCE **REPORT**

Principle 2: Board Composition and Guidance

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

The Board comprises seven (7) Directors, a majority of which are Independent Non-Executive Directors. The Chairman is independent. Provision 2.2

The composition of the Board is as follows: Provision 2.3

Executive Directors
Christian Kwok-Leun Yau Heilesen
Han Meng Siew

Independent Non-Executive Directors
Chay Yiowmin (Independent Non-Executive Chairman and Independent Non-Executive Director)
Leung Kwok Kuen Jacob
Leung Yu Tung Stanley
Zhou Jia Lin
Tao Yeoh Chi

An "independent director" is one who is independent in conduct, character and judgement, and has no relationship with the issuer, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the issuer. Provision 2.1 Catalist Rule 406(3)(d)

In determining the independence of each Independent Non-Executive Director, the Board and the NC also considers Rule 406(3)(d) of the Catalist Rules which provides that a director is not independent under any of the following circumstances:

(i) if he is employed by the Company or any of its related corporations for the current or any of the past three (3) financial years;

(ii) if he has an immediate family member who is employed or has been employed by the Company or any of its related corporations for the past three (3) financial years, and whose remuneration is determined by the RC of the Company; and

(iii) if he has been a director of the Company for an aggregate period of more than nine (9) years (whether before or after listing). Such director may continue to be considered independent until the conclusion of the next annual general meeting of the Company.

The Board and NC have also considered the new Rule 406(3)(d)(iv) of the Catalist Rules which came into effect on 11 January 2023. Pursuant to Rule 406(3)(d)(iv) of the Catalist Rules, an Independent Director who has held his or her position for an aggregate period of more than nine (9) years (whether before or after listing) will cease to be independent thereafter. However, such director may continue to be considered independent until the conclusion of the next annual general meeting of the Company.

As at the date of this Corporate Governance Report, none of the current Independent Non-Executive Directors of the Company have served on the Board beyond nine (9) years from the date of his or her first appointment.

CORPORATE GOVERNANCE REPORT

In assessing objectivity and independent judgement, the NC has taken into account the approach, character, integrity and attitude of each Independent Non-Executive Director in dealing with the affairs of the Company and in particular, each of his or her business, contractual or other relationships which could be perceived to interfere with the exercise of the Director's independent business judgement. This assessment is further supported by the written confirmation of independence in which each Independent Non-Executive Director is required to complete and submit to the NC for review.

Based on the review, the NC was of the view that Mr Chay Yiowmin, Mr Leung Kwok Kuen Jacob, Mr Leung Yu Tung Stanley, Ms Zhou Jia Lin and Mr Tao Yeoh Chi have each demonstrated independence of mind and objective judgement in discussion of matters and issues relating to the Group.

The Independent Non-Executive Directors have confirmed that they are independent in conduct, character and judgement as prescribed under the Catalist Rules and the 2018 Code. None of them are related to, nor they have any relationship (whether familial, business, financial, employment, or otherwise) with, the Company, its related corporations, its substantial shareholders or its officers or are in any circumstances that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement.

The Board comprises Directors who are professionals with core competencies, such as business or management expertise, finance and strategic planning experience, customer and industry-based exposure and knowledge. As a whole, the Board provides an appropriate balance and diversity of skills, experience and knowledge that each Director brings in harnessing Group strategy and objectives. Provision 2.4

Details of the Directors' academic/professional qualification and other appointments are set out on pages 11 and 12 of the Annual Report.

Taking into account the nature and scope of the Group's operations and the requirements of its business, the NC and the Board are of the view that the current size and composition of the Board and the Board Committees are appropriate to facilitate effective decision making.

The Company recognizes the benefits of having a diverse Board and has in FY2019 adopted a board diversity policy (the "**Board Diversity Policy**") which sets out the approach to achieve diversity of the Board. The Board Diversity Policy aims to ensure that the Board comprises of appropriately qualified people with a broad range of experience relevant to the business to achieve effective corporate governance and sustained commercial success of the Company. In addition, the Board Diversity Policy endeavours to ensure that the Board has the appropriate balance of skills, experience and diversity of perspectives required to support the execution of the Company's business strategies and is operating effectively. The Board's policy in selecting candidates for Board appointments will be based on merit and candidates will be considered against a range of objective criteria, including but not limited to gender, age, ethnicity, culture and educational background, industry and business experience, professional experience, skills and knowledge, with due regard for the benefits of diversity on the Board.

The NC is cognisant of the fact that under Rule 710A of the Catalist Rules, the Board Diversity Policy should include the following: (a) the Company's targets to achieve diversity on its Board; (b) the Company's accompanying plans and timelines for achieving the targets; (c) the Company's progress towards achieving the targets within the timelines; and (d) a description of how the combination of skills, talents, experience and diversity of its directors serves the needs and plans of the Company.

CORPORATE GOVERNANCE **REPORT**

Regarding gender diversity, there is currently one female representative on the Board. The Company has set its targets to ensure that there is always at least one female member on the Board. Although the Company has currently achieved its target for female representation, the NC will persist in actively seeking and evaluating qualified female candidates for potential Board appointments. This ongoing effort reflects the Company's commitment to maintaining and furthering gender diversity within its leadership.

The Board currently comprises Directors with a wide array of skills, knowledge, expertise and experience as outlined in the "Board of Directors" sections of this Annual Report. The Directors span across a wide age range as well, ranging from the 30's to the 70's. As such, the Board is confident that the existing diversity, size and composition is conducive to efficient decision-making and aligns with the nature and scope of the Group's activities and is of the view that the Company does not need any additional targets or plans to diversify its Board composition. Nevertheless, the NC will continue to monitor the Board's composition on an annual basis in conjunction with its Board Diversity Policy and set such additional targets and timelines, if needed.

The NC acknowledges that the current Board and Board committees consist of highly accomplished individuals who possess exceptional expertise, knowledge, skills, and experience in various domains, including finance, legal, accounting, and business strategy. This diverse skill set facilitates the Board's effective functioning, preventing the dominance of any individual or small group in the decision-making process.

In addition to skill diversity, the NC has also thoroughly examined other dimensions of diversity, including gender and age, and is satisfied that the current composition of the Board and its committees adequately represents a harmonious balance and combination of skills, knowledge, talents, experiences, and diverse backgrounds.

In any case, the composition of the Board and its committees is subjected to annual review by the Nominating Committee (NC) to ensure an optimal blend of expertise and experience. The NC will also review the Board Diversity Policy from time to time and recommend changes whenever appropriate.

The Company recognizes the value of diversity within the Board, as it brings forth a broader range of insights and perspectives necessary to achieve strategic objectives and sustainable development. The Company is firmly committed to ensuring that the Board comprises Directors who collectively embody a balanced and diverse mix of skills, industry and business experience, gender, age, ethnicity, culture, and other notable qualities. Emphasizing the importance of diversity, the Company aims to mitigate the risks of groupthink and leverage the full potential of all available talent.

The Independent Non-Executive Directors constructively challenge and assist with the development of the Management's business proposals, and reviews and monitors the Management's performance in meeting agreed goals and objectives. Provision 2.5

Where appropriate and necessary, the Independent Non-Executive Directors, led by the Independent Non-Executive Chairman, would meet without the presence of the Executive Directors and the Management, and the chairman of such meetings will provide feedback to the Board, as appropriate.

Principle 3: Chairman and Chief Executive Officer

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The Company does not have a Chief Executive Officer. The Company has tasked its Executive Director, Mr Christian Kwok-Leun Yau Heilesen, to oversee the day-to-day management of the Company and the Group's affairs. Mr Chay Yiowmin is the Independent Non-Executive Chairman and is responsible for the workings of the Board and ensures the Board's compliance with the corporate governance process. Provision 3.1

Accordingly, the roles of Mr Chay Yiowmin and Mr Christian Kwok-Leun Yau Heilesen are separate to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making.

There is distinct division of responsibilities between Mr Chay Yiowmin, the Independent Non-Executive Chairman of the Company and Mr Christian Kwok-Leun Yau Heilesen, an Executive Director of the Company, who are not related to one another and have no close family ties and are not immediate family members. Provision 3.2 Catalist Rule 1204(10A)

Mr Christian Kwok-Leun Yau Heilesen, an Executive Director, assumes executive responsibilities for the Company's business while Mr Chay Yiowmin, the Independent Non-Executive Chairman, assumes responsibility for the management of the Board.

In particular, the Independent Non-Executive Chairman's duties include:

(a) leading the Board to ensure its effectiveness on all aspects of its role;

(b) setting the agenda and ensures that adequate time is available for discussion of all agenda items, in particular, strategic issues;

(c) promoting a culture of openness and debate at the Board;

(d) ensuring that the Directors receive complete, adequate and timely information;

(e) ensuring effective communication with shareholders;

(f) encouraging constructive relations within the Board and between the Board and the Management;

(g) facilitating the effective contribution of Non-Executive Directors in particular; and

(h) promoting high standards of corporate governance.

Supported by the key management, Mr Christian Kwok-Leun Yau Heilesen makes key decisions on the management and operations of the Group and is responsible for the conduct of the business and affairs of the Group.

CORPORATE GOVERNANCE **REPORT**

In compliance with Provision 3.3 of the 2018 Code, the Company had appointed Mr Leung Kwok Kuen Jacob as the Independent Non-Executive Chairman of the Company with effect from 21 May 2021, and subsequently re-designated Mr Chay Yiowmin as the Independent Non-Executive Chairman of the Company with effect from 9 February 2022. The Independent Non-Executive Chairman will co-ordinate and lead the Independent Non-Executive Directors to provide a non-executive perspective and contribute to a balance of viewpoints on the Board. He is also the main liaison on Board issues between the Independent Non-Executive Directors and the Management.

Provision 3.3

The Independent Non-Executive Chairman is also available to shareholders when they have concerns and for which contact through the normal channels of communication with the Management is inappropriate or inadequate.

When necessary, the Company will co-ordinate informal meetings for the Independent Non-Executive Directors to meet without the presence of the Executive Directors and/or the Management to discuss matters such as the Group's financial performance, corporate governance initiatives, Board processes, succession planning as well as leadership development and the remuneration of the Executive Directors. Such meetings have also been carried out in FY2022. Led by the Independent Non-Executive Chairman, the Independent Non-Executive Directors meet amongst themselves without the presence of the other Directors where necessary and the Independent Non-Executive Chairman will provide feedback to the Board after such meetings.

Principle 4: Board Membership

The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board.

Nominating Committee

Provision 4.2

The NC comprises four (4) Directors, all of whom are Independent Non-Executive Directors, namely –

Leung Kwok Kuen Jacob (Chairman)
Leung Yu Tung Stanley
Zhou Jia Lin
Chay Yiowmin

CORPORATE GOVERNANCE REPORT

The objective of the NC is to ensure that there is a formal and transparent process in the nomination, appointment and re-appointment of Directors to the Board and in the assessment of the effectiveness and contribution of the Board and its members to the welfare, strategic growth and development of the Company. The key duties of the NC are as follows:

Provision 4.1
Catalist Rule 406(3)(e)

(a) to review the Board structure, size and composition and make recommendations to the Board with regards to any adjustments that are deemed necessary;

(b) to review annually the independence of each Director with reference to the criteria set out in the Catalist Rules and the 2018 Code;

(c) to determine whether a Director is able to and has been adequately carrying out his duties as a Director of the Company, particularly, when a Director has multiple board representations;

(d) to review succession plans for Directors, in particular, the Chairman, the Chief Executive Officer (if any) and key management personnel;

(e) to develop a process and criteria for evaluation of the performance of the Board, its Board Committees and Directors;

(f) to review training and professional development programmes for the Board, its Directors and key management personnel;

(g) to review all nominations for new appointments and re-appointments of Directors and put forth their recommendations for approval by the Board; and

(h) to assess the effectiveness of the Board as a whole and its Board Committees and Directors.

During the year, the NC met once to review the size and composition of the Board, the independence of the Independent Non-Executive Directors and to consider and recommend to the Board retiring Directors standing for election at the AGM, amongst its other duties.

CORPORATE GOVERNANCE **REPORT**

In the event that a vacancy on the Board arises, the NC will evaluate the balance of skills, knowledge and experience on the Board in order to identify the essential and desirable competencies of the candidate. Provision 4.3

The search for new Directors will first be initiated through contacts, recommendations of Board members and/or business associates, or through external sources. The NC assesses the suitability of a candidate based on several factors, including Board composition and diversity, and each candidate's competencies, skills, knowledge, experience, ability and willingness to commit time to the Company, before making a recommendation to the Board for appointment or re-appointment. The Board would consider the above factors in identifying potential director nominees, including from a diversity perspective, so as to work towards achieving an appropriate balance and diversity of skills, experience, gender and knowledge within the Board. Following the appointment of new Directors, arrangements will be made for the new Directors to attend various briefings with the Management team.

Under the Constitution of the Company, all Directors are subject to re-nomination and re-election at least once every three (3) years. Mr Leung Kwok Kuen Jacob, Mr Leung Yu Tung Stanley and Ms Zhou Jia Lin will retire by rotation pursuant to Regulation 122 of the Company's Constitution at the forthcoming AGM of the Company and have offered themselves for re-election. Further details on the Directors standing for re-election at the upcoming AGM of the Company are set out on pages 41 to 47 of the Annual Report.

Each of the Directors (being a NC and/or Board member) had recused himself/herself from deliberating and voting on his/her own nomination for re-election at the AGM. None of the Directors have appointed any alternate director.

The Independent Non-Executive Directors have confirmed that: Provision 4.4

(a) They are independent in conduct, character and judgement, and they do not have any relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement in the best interests of the Company.

(b) They are not being employed by the Company or any of its related corporations for the current or any of the past three (3) financial years.

(c) They do not have an immediate family member (being a spouse, child, adopted child, step-child, sibling and parent) who is, or has been in any of the past three (3) financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the RC.

The Board, as recommended by the NC, has reviewed and determined that the Independent Non-Executive Directors are independent in accordance with the Catalist Rules and the 2018 Code.

The NC ensures that new Directors are aware of their duties and obligations. Provision 4.5

The NC has reviewed the individual Director assessment conducted for FY2022 and the Directors' overall conduct and participation at the Board meetings in FY2022 to assess the performance of each individual Directors. The NC, after taking into account the individual Director's assessment results and the Director's participation during meetings, has reviewed and is satisfied that all the Directors who sit on multiple boards have been able to and have devoted sufficient time and attention to the affairs of the Company and have adequately carried out their roles and discharged their duties as Directors of the Company, notwithstanding their multiple board representations and directorships in other listed companies. In deriving at this conclusion, the NC also took into consideration the fact that all Directors with multiple board representations were available as and when the Company required the Directors to attend to the affairs of the Company.

The NC and Board believe that setting a maximum number of listed company board representations is not meaningful as Directors should be assessed through qualitative factors such as competencies, contribution to discussions, attendance and time commitment in dealing with the Company's affairs.

Key information regarding Directors and their profiles are set out on pages 11 and 12 of the Annual Report. The shareholdings and interests of each Director are set out in the Directors' Statement under the relevant section on page 76 of the Annual Report.

Principle 5: Board Performance

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual Directors.

Provision 5.1

Provision 5.2

The NC has in place a formal performance evaluation process where the effectiveness of the Board as a whole and each of the Board Committees is assessed. This annual evaluation exercise provides an opportunity to obtain constructive feedback from each Director or Board Committee member on whether the Board or Board Committee's procedures and processes allowed Directors to discharge their duties effectively during the financial year under review and to propose changes which may be made to enhance Board/Board Committee effectiveness as a whole.

Board performance evaluation for FY2022 was conducted by having all Directors complete a questionnaire covering the following areas/performance criteria:

- Board structure;
- Strategy and performance;
- Governance – Board Risk Management and Internal Controls; and
- Board Function – Information to the Board, Board Procedures, CEO/Top Management and Standards of Conduct.

In evaluating its performance, the Board also took into account the attendance, contribution and participation of each Director at Board meetings.

CORPORATE GOVERNANCE **REPORT**

Performance evaluations of the Board Committees, namely the AC, NC and RC for FY2022 were also conducted by having all the Board Committee members complete a separate questionnaire in respect of each Board Committee. The performance criteria includes, amongst others:

- The respective Board Committees' structure, size and expertise;
- Accountability and performance;
- Board Committee Function – Information to the Board Committees, processes, relationship with or reporting to the Board and Standards of Conduct;
- Attendance, contribution and participation of each member at Board Committee meetings; and
- Communications with shareholders.

In addition to the Board and the Board Committees performance evaluations, a peer to peer evaluation in respect of FY2022 was carried out. The performance of all Directors, including the Chairman, were individually reviewed by their fellow Directors by completing a questionnaire, taking into consideration, amongst others, the Director's business and industry knowledge, commitment, contributions and performance at the Board and Board Committee meetings (including attendance, preparedness, participation and candour), communication skills and interaction with fellow Directors, senior management and auditors.

For each of the performance evaluations of the Board, Board Committees and Directors, a summary of findings is prepared based on the completed questionnaires and is reviewed and deliberated by the NC before submitting to the Board. The Chairman of the NC confers with the Chairman of the Board on the findings and appropriate follow-up actions are taken as necessary.

No external facilitator was engaged by the Company for the above evaluations.

The NC, having reviewed the performance of the Board, Board Committees and Directors, is of the view that the performance of the Board as a whole, each Board Committee and the contribution of each Director to the effectiveness of the Board have been satisfactory.

REMUNERATION MATTERS

Principle 6: Procedures for Developing Remuneration Policies

The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel. No Director is involved in deciding his or her own remuneration.

Remuneration Committee (RC) Provision 6.1

The RC comprises four (4) members, all of whom are Independent Non-Executive Directors. The composition of the RC is as follows: Provision 6.2

Leung Kwok Kuen Jacob (Chairman)
Leung Yu Tung Stanley
Zhou Jia Lin
Chay Yiowmin

The role of the RC is to review and recommend to the Board a framework of remuneration for the Board and key management personnel of the Group. It determines and reviews specific remuneration packages for each Director and key management personnel of the Company. It also approves guidelines on salary, bonus, and other terms and conditions for senior management.

The RC's review covers all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, and benefits-in-kind and termination terms (if any) to ensure they are fair. Provision 6.3

No external remuneration consultant was engaged in FY2022. Provision 6.4

Principle 7: Level and Mix of Remuneration

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

The Group's remuneration policy comprises a fixed component and a variable component. The fixed component is in the form of a base salary. The variable component is determined after taking into consideration the performance of the Group and the individual employee, as well as the general economic climate. Provision 7.1

The Executive Directors, Mr Christian Kwok-Leun Yau Heilesen and Mr Han Meng Siew, have a service contract with the Company which may be terminated by either party giving three (3) months' notice, and is subject to annual review. Under the service contracts, the Executive Directors received either salaries or Directors' fees.

The Executive Directors' remuneration package comprises director's fee, salary, annual wage supplement and a share of profits based on the Group's performance. The performance-related benefits are to align the Executive Directors' interests with those of the shareholders and other stakeholders, for the long-term success of the Company, and link rewards to corporate and individual performance.

In its review, the RC ensures that the remuneration of the Directors and key management personnel are commensurate with their performance and value-add to the Group, giving due regard to the sustainability of performance, value creation and strategic objectives of the Company and/or the Group.

The RC also reviews the Company's obligations arising in the event of termination of the Executive Directors' and key management personnel's contract of service, to ensure that such contract of service contain fair and reasonable termination clauses which are not overly generous.

Independent Non-Executive Directors receive Directors' fees, which are subject to shareholders' approval at the AGM. The fees take into account their contribution, responsibilities, effort and time accorded in discharging their duties, and market practices. Provision 7.2

The fee structure for Independent Non-Executive Directors comprises the following components:

(1) a basic fee for each Independent Non-Executive Director; and
(2) a percentage of basic fee for each additional role on Board Committees.

No Director is involved in determining his own remuneration.

CORPORATE GOVERNANCE **REPORT**

In setting the remuneration package for Executive Directors and key management personnel of the Group, the pay and employment conditions within the industry and in comparable companies are taken into account to maintain an appropriate and competitive level of remuneration that will attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term. The RC may seek external professional advice on compensation and other employment-related matters, as and when required. Provision 7.3

The Board is of the view that as the Group pays an annual cash incentive based on the performance of the Group/Company (and not on possible future results) and with targets set for Executive Directors and key management personnel, claw back provisions in the service contracts may not be relevant or appropriate.

Principle 8: Disclosure on Remuneration

The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Directors' Remuneration Provision 8.1

Name of Directors	Total Remuneration	Base/Fixed Salaries, including CPF	Variable or performance related income or bonus	Director's Fees	Total
Chay Yiowmin	S$60,000	0%	0%	100%	100%
Christian Kwok-Leun Yau Heilesen	S$121,484	100%	0%	0%*	100%
Leung Kwok Kuen Jacob	S$40,000	0%	0%	100%	100%
Leung Yu Tung Stanley	S$40,000	0%	0%	100%	100%
Zhou Jia Lin	S$40,000	0%	0%	100%	100%
Tao Yeoh Chi	S$48,000	0%	0%	100%	100%
Han Meng Siew	S$517,210	92.4%	7.6%	0%	100%

*Less than $1,000.

The Directors have not been granted any stock options, share-based incentives and awards, and other long-term incentives in FY2022.

Remuneration of top three (3) Key Management Personnel who are not Directors

The Company only has three (3) key management personnel during FY2022. The breakdown showing the level and mix of remuneration of the top three (3) key management personnel (who are not Directors or the CEO of the Company) during FY2022 is set out below:

Remuneration Bands & Name of Key Management Personnel	Base/Fixed salaries, including CPF	Variable or performance related income or bonus	Benefits in kind	Total
Between S$250,000 to S$500,000				
Jimmy Chang Joo Whut	93.0%	7.0%	0%	100%
Kenneth Sw Chan Kit	93.3%	6.7%	0%	100%
Below S$250,000				
Vincent Vinu Edward[(1)]	100%	0%	0%	100%

Note:

(1) Mr Vincent Vinu Edward resigned as Group General Manager, Network Infrastructure (Singapore) of the Company with effect from 21 April 2023.

For FY2022, the aggregate total remuneration paid to the top three (3) key management personnel disclosed in the table above (who are not Directors or the CEO) amounted to approximately S$980,607.

Details of Directors' interests in shares are set out on page 76 of the Annual Report.

There were no employees who were substantial shareholders, or who were immediate family members of any Director or substantial shareholder in FY2022. Provision 8.2

There were no termination, retirement or post-employment benefits granted to Directors and the top three (3) key management personnel (who are not Directors) in FY2022. Provision 8.3

There are no remuneration and other payments and benefits paid by the Company and its subsidiaries to the Directors and key management personnel of the Company in FY2022.

Ntegrator Share Option Scheme

The Company has adopted an employee share option scheme (the "**Ntegrator Employee Share Option Scheme**"), which was approved by Shareholders on 15 December 2021.

Since the commencement of the Ntegrator Employee Share Option Scheme, no share options have been granted by the Company.

CORPORATE GOVERNANCE **REPORT**

ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Controls

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders.

The Board is responsible for the governance of risk and sets the tone and direction for the Group in the way risks are managed in the Group's businesses. The Board has ultimate responsibility for approving the strategy of the Group in a manner which addresses stakeholders' expectations and does not expose the Group to an unacceptable level of risk. Provision 9.1

The Board approves the key risk management policies and ensures a sound system of risk management and internal controls and monitors performance against them. In addition to determining the approach to risk governance, the Board sets and instils the right risk focused culture throughout the Group for effective risk governance.

The Group's Risk Management Framework which identifies key risks within the Group's businesses, is aligned with the ISO 31000:2018 Risk Management framework. The Risk Management Framework is reviewed by the AC and approved by the Board.

The AC oversees risk governance which includes the following roles and responsibilities:

- proposing the risk governance approach and risk policies for the Group to the Board;
- reviewing the risk management methodology adopted by the Group;
- reviewing the strategic, financial, operational, regulatory, compliance, information technology and other emerging risks relevant to the Group identified by the Management; and
- reviewing the Management's assessment of risks and the Management's action plans to mitigate such risks.

Yang Lee & Associates, a professional service firm, is engaged to assist the AC with its oversight of risk management and to facilitate the maintenance of the Group's enterprise risk management framework which covers operational, financial, compliance and information technology risks. Under the framework, risk registers with related treatment plans on risks faced by the Group are maintained, tracked by the responsible managers and reported to the Board.

Based on risks identified, assurance activities such as control self-assessments and internal audits are planned with a set of measurement criteria and targets established for each assurance activity covered. Results of assurance activities are presented to the AC annually to support the opinion under Rule 1204(10) of the Catalist Rules. Based on the results of assurance activities, the Group had met the targets established for FY2022. Catalist Rule 1204(10)

Based on the internal controls established and risk management framework maintained by the Group, work performed by the internal and external auditors, and reviews performed by the Management, the various Board Committees and the Board, and assurance activities conducted, the Board (with concurrence of the AC) is satisfied that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems are adequate and effective. No material weaknesses of internal controls and risk management systems were identified in respect of FY2022.

The Board notes that the system of internal controls and risk management established by the Company provides reasonable, but not absolute, assurance that the Company will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

In respect of FY2022, the Board has received the following assurance: Provision 9.2

(a) Written confirmation from the Executive Director, Mr Christian Kwok-Leun Yau Heilesen, and the Financial Controller that the financial records have been properly maintained and the financial statements of the Company for FY2022 give a true and fair view of the Company's operations and finances; and

(b) Written confirmation from the Executive Director, Mr Christian Kwok-Leun Yau Heilesen, the Financial Controller and relevant key management personnel that the Company's risk management and internal controls (including financial, operational, compliance and information technology controls) systems are adequate and effective.

Principle 10: Audit Committee

The Board has an Audit Committee ("AC") which discharges its duties objectively.

The AC comprises four (4) Directors, all of whom are Independent Non-Executive Directors. The composition of the AC is as follows: Provision 10.2

Chay Yiowmin (Chairman)
Leung Yu Tung Stanley
Leung Kwok Kuen Jacob
Zhou Jia Lin

All AC members possess extensive business and financial management expertise or experience and at least two (2) of them (including the AC Chairman) have recent and relevant accounting or related financial management expertise or experience.

The duties of the AC include: Provision 10.1 Catalist Rule 406(3)(e)

(a) reviewing significant financial reporting issues and judgements so as to ensure the integrity of financial statements of the Company and any announcements relating to the Company's financial performance;

(b) reviewing interested person transactions;

(c) reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls, and risk management systems (such review can be carried out with the assistance of any competent third parties);

(d) reviewing the assurance from the Executive Director and the Financial Controller on the financial records and financial statements;

(e) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function;

CORPORATE GOVERNANCE REPORT

(f) making recommendations to the Board on the proposals to shareholders on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;

(g) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on; and

(h) reviewing the Whistle-Blowing Policy and procedures for raising such concerns to ensure disclosure and clear communications to employees, which is sent to individual employees on an annual basis.

None of the AC members or the AC Chairman are former partners or Directors of the Company's existing auditors. Provision 10.3

The AC assists the Board in its oversight of financial, risk, audit and compliance matters. Provision 10.4

The AC reviews the scope of work and the effectiveness of both the Internal and External Auditors and the assistance given by the Company's officers to the External Auditors. It meets with the Company's Internal Auditors and External Auditors to review their audit plans and discuss the results of their respective examinations and their evaluation of the Group's operations and system of internal accounting controls to the Board annually.

The AC also reviewed transactions with interested persons and related parties (if any), and recommended the appointment or re-appointment of External Auditors, after taking into consideration the External Auditors' performance and Audit Quality Indicators relating to the External Auditors at firm level and audit engagement level and the Group's requirements.

The internal audit function of the Group is outsourced to Yang Lee & Associates ("**YLA**" or "**IA**"), an independent and professional service firm. YLA is a professional service firm that specialises in the provision of Internal Audit, Enterprise Risk Management and Sustainability Reporting advisory services. The firm was set up in the year 2005 and currently maintains a diverse outsourced internal audit portfolio of SGX-ST listed companies across different industries including distribution, manufacturing, services, food & beverage, trading, retail and property development industries.

The IA is adequately resourced and guided by the International Standards for the Professional Practice of Internal Auditing (IIA Standards), issued by the Institute of Internal Auditors. YLA is a corporate member of the Institute of Internal Auditors Singapore and is staffed with professionals with relevant qualifications such as the Certified Internal Auditor qualification with the Institute of Internal Auditors.

The AC has explicit authority to investigate any matter within its terms of reference, full access to and co-operation by the Management, full discretion to invite any personnel to attend its meetings, and reasonable resources to enable it to function properly.

The IA reports directly to the AC. The IA has unfettered access to all the Company's documents, records, properties and personnel, including access to the AC, and has appropriate standing within the Group. The AC approves the appointment, termination, evaluation and compensation of the IA.

The AC reviews and approves the internal audit scope and plan to ensure that there is sufficient coverage of the Group's activities. It also oversees the implementation of the internal audit plan and ensures that the Management provides the necessary co-operation to enable the IA to perform its function.

The IA completed one (1) review of the Group in FY2022 in accordance with the internal control plan approved by the AC under the Group Risk Management Framework. The findings and recommendations of the IA, Management's responses, and Management's implementation of remedial actions have been reviewed by the AC.

The IA engagement team comprises two (2) directors, a manager and is supported by two (2) associates. Each of the two (2) directors has more than 20 years of relevant experience whilst the manager has more than 10 years of relevant experience.

The AC annually reviews the independence, adequacy and effectiveness of the internal audit function to ensure that the internal audits are performed effectively. The AC is satisfied that the IA is independent, effective, adequately resourced and is staffed by qualified and experienced personnel.

The AC meets the Internal Auditors and External Auditors without the presence of the Management at least once a year. Provision 10.5

The External Auditors provide regular updates and periodic briefing to the AC on changes or amendments to accounting standards to enable AC members keep abreast with such changes and their corresponding impact, if any, on financial statements.

The AC performed independent reviews of the financial statements of the Company and the Group and any announcements relating to the Company's performance. No significant issues were noted by the AC.

The AC reviewed audit and non-audit fees and the independence of the External Auditors. No non-audit services were provided by the External Auditors in FY2022. The AC has received confirmation of independence from the External Auditors and is satisfied that the External Auditors are independent.

The Company has complied with Rules 712 and 715 of the Catalist Rules in respect of the appointment and re-appointment of External Auditors. Rule 716 of the Catalist Rules is not applicable to the Company.

Whistle-Blowing Policy

The Company has a Whistle-Blowing Policy managed by the AC who is responsible for oversight and monitoring of the policy. The Whistle-Blowing Policy serves to encourage and provide a channel for staff of the Group to report and to raise in good faith and in confidence, any concerns about possible improprieties in matters of financial reporting or other matters. This Whistle-Blowing Policy is to ensure that arrangements are in place, for the independent investigation of such matters and concerns raised on financial or other improprieties, and for appropriate follow-up action.

The Whistle-Blowing Policy sets out the procedures for a whistle-blower to make a report to the Company on misconduct or wrongdoing relating to the Company and its officers, and can be accessed through the Company's server by all staff of the Company. In addition, an annual email reminder regarding the Whistle-Blowing Policy and policies relating to conflicts of interest issues is sent to all staff of the Company.

CORPORATE GOVERNANCE REPORT

The objectives of the Whistle-Blowing Policy are:

- to ensure that the identity of the whistle-blower is kept confidential;
- to communicate the Company's expectation of employees of the Group in detecting fraudulent activities or malpractices;
- to guide employees on the course of action when addressing their concerns or suspicions of fraudulent activities or malpractices;
- to provide a process for investigations of whistleblowing reports made in good faith by an independent function and management reporting; and
- to establish the policies for protecting whistle-blowers against reprisal, including detrimental or unfair treatment, by any person internal or external of the Group.

Whistleblowing complaints or reports can be submitted via email to the chairman of the Audit Committee at ychay@ntegrator.com. All received complaints are diligently investigated, and the outcomes of these investigations, along with the corresponding actions taken, are reported to both the Audit Committee and the Board for their information.

The Audit Committee is responsible for overseeing the proper administration of the whistleblowing policy. They ensure that all concerns or complaints raised are independently investigated, and appropriate follow-up actions are taken. Moreover, the Audit Committee provides assurance that whistleblowers will be protected from reprisal or victimization within the limits of the law, as well as ensures anonymity for those who wish to report anonymously.

To ensure the policy's continued relevance and effectiveness, the Audit Committee conducts periodic reviews. These reviews serve to validate the policy's applicability and make any necessary updates or revisions.

The Company did not receive any whistle-blowing reports in FY2022.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Principle 11: Shareholder Rights and Conduct of General Meetings

The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

The Company disseminates material information simultaneously through press releases via SGXNet and electronic mail to the media. Press releases, interim and full-year financial results and annual reports which are posted on SGX's website are also available on the Company's website. All shareholders of the Company receive the Annual Report and Notice of general meetings within the statutory period. In order to gather views or inputs and address shareholders' concerns, shareholders are given the opportunity to voice their views and to direct questions regarding the Group to the senior management and the Directors, including the Chairman and Chairmen of Board Committees, prior to the general meetings. The Company will provide its response to all substantial and relevant questions received from shareholders within the relevant timelines prescribed by the SGX-ST. Provision 11.1

CORPORATE GOVERNANCE REPORT

The forthcoming AGM will be held by way of physical means. The Company has set out in its Notice of AGM the arrangements in relation to attendance at the AGM, the submission of questions in advance of the AGM, and the addressing of substantial and relevant questions in advance of and at the AGM. Shareholders are encouraged to participate and vote at the AGM.

At general meetings, resolutions are voted on by poll and poll voting procedures are explained by the independent scrutineer. The results, including the number of votes cast for and against each resolution, are announced via SGXNet.

At general meetings, separate resolutions are proposed for each substantially separate issue to avoid bundling of resolutions unless the resolutions are inter-dependent and linked to form one significant proposal. Provision 11.2

The Directors understand the importance of attending the general meetings to make themselves available to address shareholders' queries (if any) and to communicate with shareholders, including addressing questions raised prior to general meetings. Insofar as possible, all Directors attend general meetings of the Company to address such questions. The Company's legal advisors (if necessary), the AC Chairman, the NC Chairman and the RC Chairman are also present to assist the Directors in addressing such questions. The Company's External Auditors are also present to address shareholders' queries about the conduct of the audit and the preparation and content of the auditors' report. Provision 11.3

The Directors' attendance at the general meetings of the Company held in FY2022 are set out in the table below:

	Annual General Meeting		Extraordinary General Meeting	
	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended
Chay Yiowmin(1)	1	1	4	4
Christian Kwok-Leun Yau Heilesen	1	1	4	4
Leung Kwok Kuen Jacob(2)	1	1	4	4
Leung Yu Tung Stanley	1	1	4	4
\Zhou Jia Lin	1	1	4	4
Tao Yeoh Chi	1	1	4	4
Han Meng Siew	1	1	4	4

Notes:

(1) Mr Chay Yiowmin was re-designated as Independent Non-Executive Chairman and Independent Non-Executive Director of the Company with effect from 9 February 2022.

(2) Mr Leung Kwok Kuen Jacob was re-designated as Independent Non-Executive Director of the Company with effect from 9 February 2022.

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Corporations which provide nominee services are permitted to appoint more than two (2) proxies so that shareholders who hold shares through such corporations can attend and participate in shareholders' meetings as proxies. Provision 11.4

At present, the Company has not adopted any procedures for shareholders to vote in absentia and will review this option when guidelines for such procedures are developed, in the future. However, pursuant to Regulation 88 of the Company's Constitution, the Directors may, at their sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow shareholders who are unable to vote in person at any General Meeting the option to vote in absentia.

Minutes of general meetings are made available to shareholders present at the relevant meeting, upon request. In addition, the minutes of AGMs/general meetings of shareholders, incorporating substantial and relevant comments or queries from shareholders and responses from the Board, the Management and/or the Auditors, are published via SGXNet and on the Company's website. For the forthcoming AGM, minutes of the meeting will be published via SGXNet and on the Company's website within one (1) month after the meeting. Provision 11.5

The Company's forthcoming AGM will be held by way of physical means on 15 August 2023. Arrangements relating to (i) submission of comments, queries and/or questions in advance of the AGM, (ii) addressing of substantial and relevant comments, queries and/or questions prior to the AGM, and (iii) voting live or by appointing proxy(ies) (including the Chairman of the Meeting), are set out in the Notice of AGM dated 31 July 2023, published via SGXNet and on the Company's website. Shareholders are advised to refer to the Notice of AGM for further details.

The Company currently does not have a formal dividend policy. Before proposing any dividend, the Board considers factors such as earnings, financial results and position, capital requirements, cash flows and business development plans. The Board will review the adoption of a dividend policy when a more stable trend of profitability is established. Provision 11.6 Catalist Rule 704(23)

No dividend was declared or recommended for FY2022 due to the losses incurred by the Group.

Principle 12: Engagement with Shareholders

The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

The Board places strong emphasis on investor relations for the Company to maintain high standards of transparency so as to promote better investor communications. The Company's corporate website is a key source of information for the investment community and shareholders are kept apprised of any changes in the Company's business and information that would likely affect the value of the Company's shares on a timely basis. Provision 12.1

The Company is fully committed to corporate governance and transparency by disclosing to its stakeholders, including its shareholders, as much relevant information as is possible, in a timely, fair and transparent manner as well as to hearing its shareholders' views and addressing their concerns.

CORPORATE GOVERNANCE REPORT

All material information on the performance and development of the Group and of the Company are also disclosed in a timely, accurate and comprehensive manner through SGXNet, press releases and the Company's website. The Company does not practice selective disclosure of material information. All materials on the Company's financial results are available on the Company's website – www.ntegrator.com

In addition, to further encourage and promote communications with shareholders and the investment community, shareholders and the investment community are invited to send emails queries to the senior management at ir@ntegrator.com.

The Company has put in place a formal investor relations policy ("**IR Policy**") which outlines the processes and practices that the Company adopts to ensure effective communication with shareholders and the investment community, in a timely manner. The IR Policy is available on the Company's website at www.ntegrator.com. In addition, to further encourage and promote communications with shareholders and the investment community, shareholders and the investment community are invited to send email queries to the senior management at ir@ntegrator.com.

Provision 12.2

Provision 12.3

MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 13: Engagement with Stakeholders

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

The Company has implemented appropriate channels to identify and engage with its material stakeholders. It recognises the importance of having intimate knowledge of its business and regular interactions with its stakeholders to determine material issues for its business. Such arrangements include maintaining the Company's website, which is kept updated with current information to facilitate communication and engagement with stakeholders. Provision 13.1

The Company has identified stakeholders as those who are impacted by the Group's business and operations as well as those who have a material impact on the Group's business and operations. Such stakeholders include customers, employees, regulators, shareholders and suppliers. The Company engages its stakeholders through various channels to ensure that the business interests of the Group are balanced against the needs and interests of its stakeholders such as through the Company's website. The Company welcomes the stakeholders to write to ir@ntegrator.com wherein the senior management will address the stakeholders' queries as appropriate.

The Company periodically assesses focus areas where the Company can have the greatest economic, environmental and social impact, as well as areas that are most important to its stakeholders. The Company has made efforts to seek the opinions of its stakeholders through various means. In FY2022, the Company has maintained the Company's website to keep the stakeholders updated of developments as disclosed under Provision 12.1 above and was available to answer queries from stakeholders through ir@ntegrator.com. Provision 13.2

The Company maintains a corporate website at www.ntegrator.com to communicate and engage with its stakeholders. Provision 13.3

CORPORATE GOVERNANCE **REPORT**

Company's Compliance of Explanation | **Catalist Rule**

Dealing in Company's Securities 1204(19)

The Group has adopted a Code of Best Practices for Dealings in Securities (the "**Code of Best Practices**") which defines the Group's policy on dealings in securities of the Company and implications of insider trading. To comply with Rule 1204(19)(b) of the Catalist Rules and in line with our Code of Best Practices, Directors and key management personnel of the Group who have access to price-sensitive and confidential information are not permitted to deal in securities of the Company during the periods commencing one (1) month before the announcement of the Group's annual or half-year results and ending on the date of the announcement of such results, or when they are in possession of unpublished price-sensitive information on the Group. In addition, Directors and key management personnel of the Group are not allowed to deal in the Company's shares or securities on short-term considerations.

Directors and key management personnel are required to confirm annually that they have complied with the Code of Best Practices with regards to their securities transactions.

Sustainability Reporting 711A

The Group recognises the importance of sustainability that creates long-term value to our stakeholders by embracing opportunities and managing risks derived from the environment, social developments and governance. The Group is committed towards implementing sustainable practices in order to achieve the right balance between the needs of the wider community and the requirements of stakeholders and business growth. Our 2022 Sustainability Report can be found at pages 48 to 74 of this Annual Report.

Enterprise Risk Management Policies and Processes

The Company's enterprise risk management policies are summarised as follows:

Technological Changes

We are dependent on principals to improve and innovate products to meet the changing market trends. We will study the market trends and assess customers' changing needs and obtain new technology-based products to meet their demands. We will also keep abreast of the developments in our industry and the technical know-how.

Political, Regulatory and Economic

The unexpected changes in the regulatory requirements, political instability and economic uncertainties in the countries in which we have a presence may affect our revenue and margin. We will assess this inherent risk on a regular basis.

Credit Risk

We are exposed to credit risk and such risk is managed through assessment of customer credit-worthiness. Special payment arrangements are reviewed on a case-by-case basis and will be secured by export letters of credits.

CORPORATE GOVERNANCE REPORT

Suppliers

We procure and supply machinery/equipment to customers which are sourced from reputable suppliers or, manufacturers approved by customers. These machinery/equipment which may fail to meet customers' expectation or operating requirements are covered by manufacturers' warranties.

Key Management Personnel

Our business performance depends on the business strategy developed by the Management. The inability to retain qualified personnel may affect our business performance given that we are a service provider. We offer competitive remuneration packages to our staff as well as a challenging working environment.

Business Continuity

The Company recognises that business disruption is a key risk to effective business operations and delivery of business services, and may potentially affect our customers. We monitor emerging threats that may disrupt our operations and address crises and emergencies through implementation of appropriate prevention, preparedness and response and recovery programmes that seek to mitigate the risks of disruption and catastrophic loss to our operations, people, information databases and other assets, and to ensure that key business functions can continue normal operations in the event of a major disruption. Such risks can arise from adverse natural events like flooding or, from pandemic outbreaks.

The Company has been monitoring the situation and evaluating its operations in light of the Covid-19 pandemic to ensure business continuity and the safety of employees. While the Company's business operations have continued without interruption to date, implementation of all the necessary safety measures (such as, provision of hand sanitisers and contactless infrared thermometers, stepping up of the cleaning and disinfection of our premises and conduct of temperature screenings upon entry into our premises) are still in place. Our foreign workers have been split into different dormitories and rooms and they have been divided into different teams to support our customers who are providers of the essential services.

Material Contracts 1204(8)

Other than the Service Agreements with our Executive Directors, Mr Christian Kwok-Leun Yau Heilesen and Mr Han Meng Siew, there were no material contracts in FY2022 which are required to be disclosed under Rule 1204(8) of the Catalist Rules.

Interested Person Transactions ("IPTs")

The Group has set up procedures to record and report IPTs. All IPTs are reported in a timely manner to the AC and the Group ensures that all such transactions are conducted on an arm's length basis and are not prejudicial to the interests of the Company and its minority shareholders.

CORPORATE GOVERNANCE **REPORT**

Save as disclosed in the table below, there were no IPTs exceeding S$100,000 in value in FY2022:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under Shareholders' mandate pursuant to Rule 920 of the Catalist Rules)	Aggregate value of all interested person transactions conducted under Shareholders' mandate pursuant to Rule 920 of the Catalist Rules (excluding transactions less than S$100,000)
Mission Well Limited	Mission Well Limited is the shareholder in the Company. Value represents the accrued interest paid to Mission Well Limited under a promissory note issued to fulfill the consideration of the GU Acquisition.	S$125,774.43(2)	Nil
Christian Kwok-Leun Yau Heilesen(2)	Christian Kwok-Leun Yau Heilesen is the Executive Director of the Company and is deemed interested in Mission Well Limited which is 100% owned by him. Value represents the accrued interest paid to Christian Kwok-Leun Yau Heilesen under a promissory note issued to fulfill the consideration of the GU Acquisition.	S$77,601.54	Nil
Christian Kwok-Leun Yau Heilesen(2)	One of the Group's subsidiary, GU had leased an office for CKLY Trading Limited from a company which is wholly-owned by Christian Kwok-Leun Yau Heilesen who is the Executive Director of the Company and controlling shareholder of the Company. The total rental expenses paid in FY2022 after taking into consideration that it is a 55% owned subsidiary was HK$316,800 (equivalent to S$56,232).	S$56,232.00	Nil

(1) The acquisition of New Genesis Developments Limited ("**NG Acquisition**") and Golden Ultra Limited ("**GU Acquisition**"; together with the NG Acquisition, the "**GU and NG Acquisitions**") were proposed on 12 October 2021 followed by a circular issued on 10 February 2022. Shareholders' approval for the GU and NG Acquisitions were obtained during the extraordinary general meeting held on 4 March 2022. Subsequent to the shareholders' approval, the GU Acquisition and NG Acquisition were completed on 25 April 2022 and 30 May 2022 respectively.

(2) As Mission Well Limited is 100% owned by Christian Kwok-Leun Yau Heilesen, the aggregate of interested person transactions inclusive of rental for FY2022 with Christian Kwok-Leun Yau Heilesen is S$259,607.97.

Continuing Sponsors

No non-sponsor fees were paid to the Sponsor, PrimePartners Corporate Finance Pte. Ltd. in FY2022.

CORPORATE GOVERNANCE REPORT

Key information of Directors to be re-elected

Name of Director	Leung Kwok Kuen Jacob	Leung Yu Tung Stanley	Zhou Jia Lin
Date of appointment	21/05/2021	21/05/2021	21/05/2021
Date of last re-appointment	Not Applicable	Not Applicable	Not Applicable
Age	57	46	50
Country of principal residence	Hong Kong	Hong Kong	Hong Kong
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The re-election of Mr Leung as the Independent Non-Executive Director was recommended by the NC and the Board has accepted the recommendation, after taking into consideration the qualifications, past experience and overall contribution since he was appointed as a Director of the Company.	The re-election of Mr Leung Yu Tong Stanley as the Independent Non- Executive Director was recommended by the NC and the Board has accepted the recommendation, after taking into consideration the qualifications, past experience and overall contribution since he was appointed as a Director of the Company.	The re-election of Ms Zhou Jia Lin as the Independent Non-Executive Director was recommended by the NC and the Board has accepted the recommendation, after taking into consideration the qualifications, past experience and overall contribution since he was appointed as a Director of the Company.
Whether the appointment is executive and if so, please state the area of responsibility	Non-Executive	Non-Executive	Non-Executive
Job title (e.g. Lead ID, AC Chairman, AC member, etc)	Independent Non-Executive Director Chairman of the Remuneration Committee and Nominating Committee, and a member of the Audit Committee	Independent Non-Executive Director Member of the Audit Committee, Remuneration Committee and Nominating Committee	Independent Non-Executive Director Member of the Audit Committee, Remuneration Committee and Nominating Committee
Professional memberships/ qualifications	Graduated from High School	Chartered Accountant of Hong Kong Institute Certified Public Accountants and Association of Chartered Certified Accountants (ACCA)	Graduated from High School

CORPORATE GOVERNANCE REPORT

Name of Director	Leung Kwok Kuen Jacob	Leung Yu Tung Stanley	Zhou Jia Lin
Working experience and occupation(s) during the past 10 years	Eternal Pearl Securities Limited (2003 to October 2017) – Administrative Manager	Siu Siu Style Company Limited (August 2021 to Present) - Finance Controller Wewesat Limited (July 2020 to July 2021) – Finance Controller Luen Hing Textile Company Limited (September 2013 to November 2019) – Finance Controller The Sweet Dynasty Group (January 2012 to September 2013) – Finance Manager	Individual investor (2003 to Present)
Shareholding interest in the Company and its subsidiaries	Nil	Nil	Nil
Any relationship (including immediate family member relationships) with any existing director, existing executive officer, the Company and/ or substantial shareholder of the Company or any of its principal subsidiaries	No	No	No
Conflict of Interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) submitted to the Company?	Yes	Yes	Yes

CORPORATE GOVERNANCE REPORT

Name of Director	Leung Kwok Kuen Jacob	Leung Yu Tung Stanley	Zhou Jia Lin
Other Principal Commitments and Directorships	Past (for the last 5 years) Directorships: - Industronics Berhad - Echo International Holdings Group Limited - Itronics Management Limited - Ademco (Malaysia) Sdn Bhd - Industrial Electronics Pte Ltd - Sukitronics Sdn Bhd - Success Richly Finance Limited - Industronics Technology Limited Principal Commitments: - None Present Directorships: - Brilliant Communications Technology Company Limited - Chiu Trading Limited - Strong System Limited - Empire Top Limited - Itronic Services Limited - Eternal Pearl Immigration Consultant Service Limited - Incredible Holdings Ltd. Principal Commitments: - None	Past (for the last 5 years) Directorships: - None Principal Commitments: - None Present Directorships: - Echo International Holdings Group Limited - Incredible Holdings Ltd. - TT Automobile Company Limited - St. Francis of Assisi's English Primary School Alumni Association Limited Principal Commitments: - None	Past (for the last 5 years) Directorships: - Echo International Holdings Group Limited - Blue Ocean Financial Group Limited - Blue Ocean Securities Limited Principal Commitments: - None Present Directorships: - Incredible Holdings Ltd. Principal Commitments: - None

CORPORATE GOVERNANCE **REPORT**

Name of Director	Leung Kwok Kuen Jacob	Leung Yu Tung Stanley	Zhou Jia Lin
General Statutory Declaration of Directors			
A) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
B) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
C) Whether there is any unsatisfied judgment against him?	No	No	No
D) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Leung Kwok Kuen Jacob	Leung Yu Tung Stanley	Zhou Jia Lin
E) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
F) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No
G) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
H) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
I) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No

CORPORATE GOVERNANCE **REPORT**

Name of Director	Leung Kwok Kuen Jacob	Leung Yu Tung Stanley	Zhou Jia Lin
J) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-			
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No
ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Leung Kwok Kuen Jacob	Leung Yu Tung Stanley	Zhou Jia Lin
K) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	(1) Yes. A tax claim by Inland Revenue of HKSAR in 2009. Case closed on 13 August 2009 after settlement. (2) On 15 October 2019, Bursa Malaysia Securities publicly reprimanded and fined Leung Kwok Kuen Jacob for the breach of the paragraph 8.23(2) (a)(i) of the Bursa Malaysia Securities Main Market Listing Requirement. The case remains open as the fine is pending payment. As a result of this, he applied to Echo International Holdings Group Limited for a suspension from all his duties on 31 December 2019. He ceased to be a director of Echo International Holdings Group Limited on 31 March 2020.	No	No
Any prior experience as a director of an issuer listed on the Exchange?	Not applicable as this is in relation to re-election of director	Not applicable as this is in relation to re-election of director	Not applicable as this is in relation to re-election of director
If yes, please provide details of prior experience.	Not applicable	Not applicable	Not applicable
If not, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	Not applicable	Not applicable	Not applicable

SUSTAINABILITY REPORT

1. Board statement

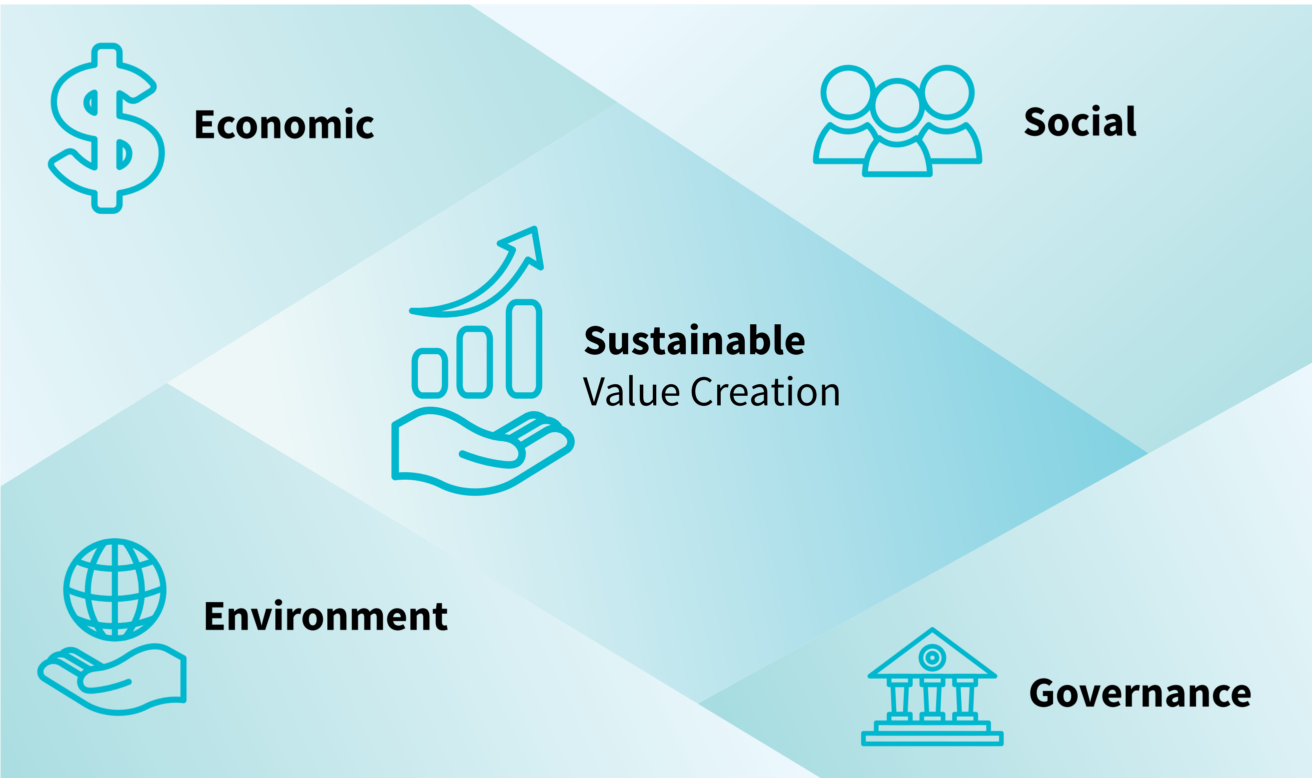
We take this opportunity to express our appreciation to our stakeholders for their unwavering support throughout the development of our company and reaffirm our commitment to sustainability with the publication of our sustainability report ("Report"). For this Report, we provide insights into the way we do business, while highlighting our environmental, social, and governance ("ESG") concerns as well as economic performance (collectively as "Sustainability Factors").

Whilst mindful of our profit-oriented objective, we are committed to striking a balance between growth, profit, governance, environment, the development of our people and the well-being of our communities to secure a long-term future for our Group. Our Board of Directors considers sustainability issues as part of its strategic formulation, determines the material Sustainability Factors with careful examination, and oversees the management and monitoring of the material Sustainability Factors.

In the Report, we disclose performances on economic performance, energy consumption, greenhouse gas emissions, employment practices, and robust governance system, in alignment with our commitment to sustainable business development. We review our material ESG topics regularly, continue the engagement with multiple stakeholders and actively monitor and improve our performances.

We also expect to achieve a balance between our economic performance and ESG endeavours, especially on the point of recent business reconstruction. Considering the involvement of new components of retail and Internet marketing, it is of importance for us to find suitable solutions for sustainable monitoring and improvement of our group ESG scorecard. We strive to extend the scope of reporting in the upcoming years to take actions against climate change, to improve community impact, and to contribute to sustainable value creation.

We recognize the importance of joint efforts in sustainability development and will actively collaborate with our business partners, customers, investors, and communities in dedication to offering services of better quality and sustainable solutions of greater efficiency.



2. About the company

2.1 Corporate Profile

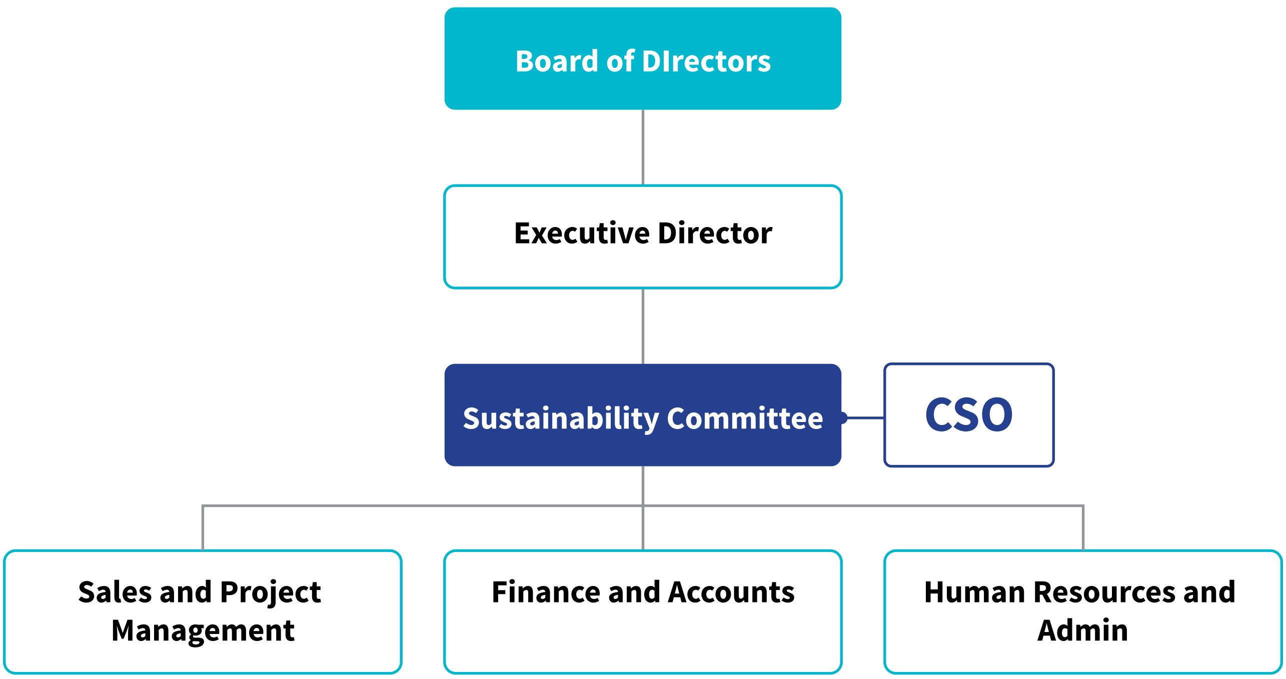
Ntegrator Holdings Limited ("Ntegrator" or "the Group") is listed on the Catalist of the Singapore Exchange (stock code: WVJ).

Ntegrator is a leading communications network specialist and business systems integrator offering high-tech, world-class systems and services. It has served some of the most well-known governments and private organisations in ASEAN and the region. Besides Singapore, it also has a market presence in Vietnam and Hong Kong.

The company is mainly engaged in the designing, installing, and implementing of data, video, fiber optics, wireless and cellular network infrastructure, and voice communication systems. The Group also provide outside plant services, including fiber cable installation and pipe laying, project management services as well as maintenance and support services. Following an Extraordinary General Meeting ("EGM") convened on 15 December 2021, the Group had received shareholders' approval for the proposed business diversification into (a) the e-commerce business and (b) watch business.

2.2 Sustainability Governance Structure

The Board advises and oversees the development of our sustainability strategy and performance targets. Our sustainability strategy is spearheaded by the Sustainability Committee ("SC"). Our Financial Controller/Chief Sustainability Officer ("FC/CSO") leads the SC which comprises representatives from various support units. The SC is responsible for reviewing our sustainability progress, discussing and coordinating on how the Group can better implement sustainability initiatives and contribute to sustainability efforts. The SC reports to the Executive Director and the Board, reviews material impacts, considers stakeholders' priorities, sets targets, as well as collects, verifies, monitors and reports performance data for this report. The reporting structure for sustainability matters is presented as follows:



SUSTAINABILITY REPORT

3. Reporting Period and Scope

This Report is applicable for our Group's financial year ended 31 December 2022 ("FY2022" or "Reporting Period"). This Report covers the operating entities of our Project Sales and Project Management and Maintenance Services businesses. With the diversification of the Company's products and service line in FY2022, the Project Sales and Project Management and Maintenance Services businesses contributed to 28.88% (FY2021: 88%, FY2020: 100%) of our total revenue for the Reporting Period. As the Group continues to grow and diversify its product lines, Ntegrator will review and extend its reporting scope during each new reporting year, to make the reporting as representative as possible with regard to the Group's sustainability performance. We welcome feedback and suggestions from our stakeholders on this Report. You may contact us through our investor relations email at kennethsw@ntegrator.com.

The Environmental, Social and Governance data provided in this report covers the following sites and activities in Singapore:

- Ntegrator Pte Ltd
- Fiber Reach Pte Ltd

Operations in Vietnam mainly involves project sales and constitutes a small percentage of the Group revenue. Hong Kong is not included in this report because the businesses are closely connected with retail and Internet marketing business segment that is still new to our group and the relevant data is not comprehensive enough for reporting. However, we aim to include these components in the next reporting cycle, considering the increasing contribution of the retail and Internet marketing business segment after acquisition.

4. Reporting Framework

This report has been prepared with reference to the GRI Standards 2021 and published pursuant to 711A and 711B of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST") listing rules. We have chosen to report using the GRI Standards and included Task Force on Climate-related Financial Disclosures (TCFD) recommendations as they are reporting frameworks internationally recognized. The GRI content index and TCFD content index can be found in the Appendix.

As part of our continual efforts to align our sustainability reporting with relevant market standards, we have mapped our sustainability efforts to the 2030 Agenda for Sustainable Development which is adopted by all United Nations Member States in 2015 ("UN Sustainability Agenda"). We have incorporated the SDG, where appropriate, as a supporting framework to shape and guide our sustainability strategy. While we have not sought external assurance for this sustainability report, we have relied on internal data monitoring and verification to ensure accuracy. The reporting process has gone through an internal review by the internal audit function. We will work towards external assurance for our future sustainability reports.

5. Sustainability Approach

5.1 Stakeholder Engagement

We actively engage our business partners and stakeholders regularly to keep them abreast of the developments of our businesses. The stakeholder engagement provides valuable information on their needs and concerns, which helps us in offering satisfactory solutions and providing sustainability reporting, particularly in determining the material environmental and social issues. We will continue to engage our external stakeholders more extensively through regular dialogues on an extensive range of topics, using multiple platforms and feedback systems, to identify areas that are material, sustainable and necessary for future development.

Key stakeholder	Engagement channel	Key concern raised by stakeholder
Customers	Email communication (weekly) Phone calls (monthly) Tele-conferences (quarterly) Customer feedback form (monthly)	Product quality and reliability Customer service standards Customer data protection Information security
Employees	Email communication (weekly) Staff evaluation sessions (quarterly)	Equal employment opportunity Workplace safety and health Remuneration Employee data protection
Regulators	Consultations and briefings organised by key regulatory bodies such as the Singapore Stock Exchange and relevant government agencies/ bodies (quarterly)	Corporate governance Risk Management Sustainable development
Shareholders	Material announcements on SGXNet Company's website Business publications (quarterly) Investor relation events (quarterly) Results announcements on SGXNet (half-yearly) Annual general meetings (annually) Annual reports (annually)	Sustainable business performance Market valuation Dividend payment Corporate governance
Suppliers	Suppliers' evaluation (quarterly)	Ability to distribute products Maintain and expand brand presence Maximise end customers' satisfaction

SUSTAINABILITY **REPORT**

5.2 Materiality Assessment

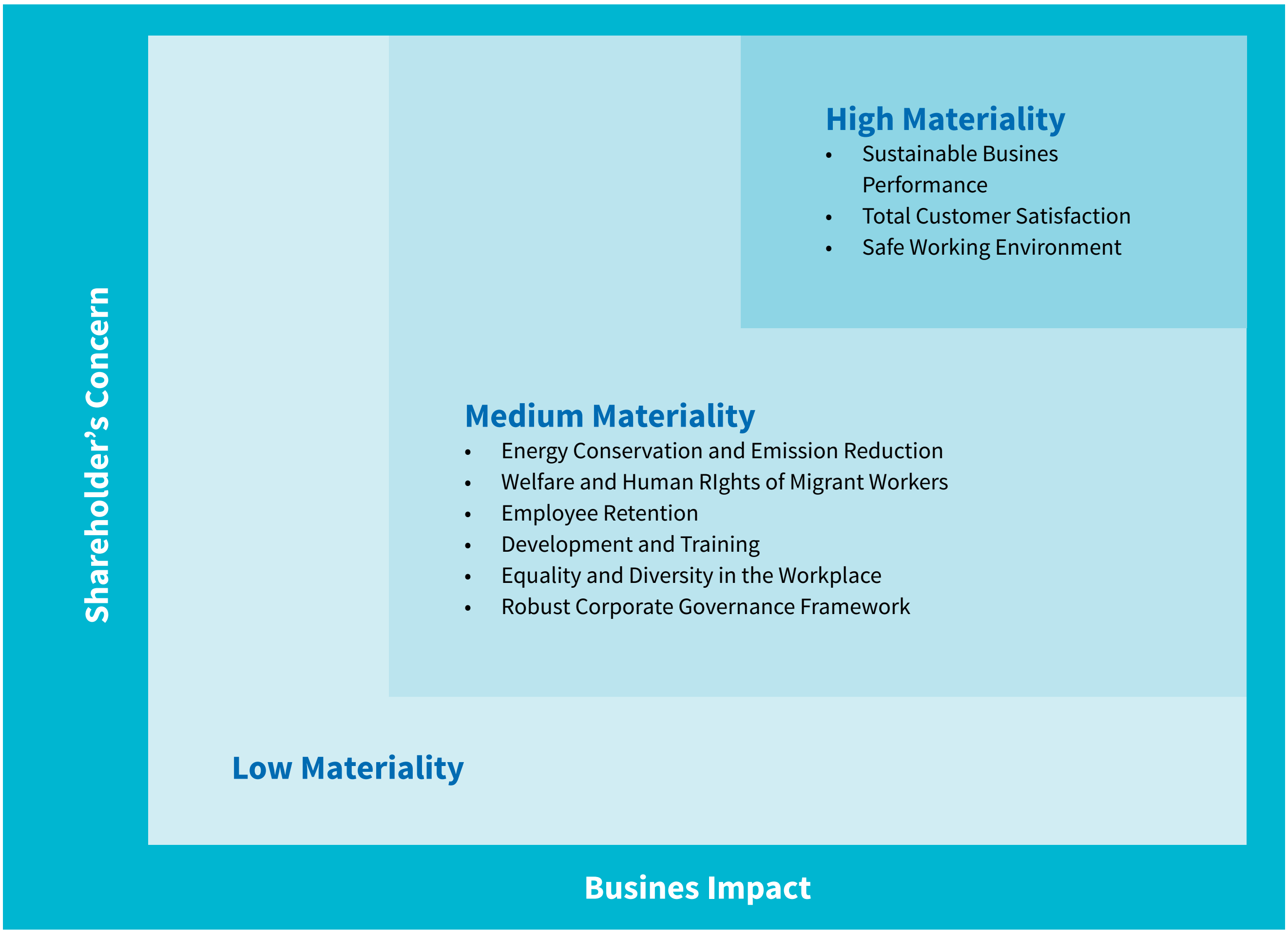
With the aim of identifying and assessing the ESG issues, risks, and opportunities that are the most influential to our stakeholders and the Group, we follow the guidance of GRI to evaluate both the external and internal perspectives. Each Sustainability Factor is assigned a reporting priority that determines the actions required in the table below.

Pillars	Material factor	Key stakeholder	SDG	Reporting priority
Economic	Sustainable business performance Total customer satisfaction	Shareholders, Customers, Suppliers, employees	8 DECENT WORK AND ECONOMIC GROWTH	• • •
Environmental	Energy conservation and emission reduction	Regulators, Shareholders, Customers, Suppliers, employees	13 CLIMATE ACTION	• •
Social	Safe working environment	Regulators, Employees	3 GOOD HEALTH AND WELL-BEING	• • •
	Welfare and human rights of migrant workers			• •
	Employee retention		8 DECENT WORK AND ECONOMIC GROWTH	• •
	Development and training			• •
	Equality and diversity in the workplace		10 REDUCED INEQUALITIES	• •
Governance	Robust corporate governance framework	Regulators, Shareholders	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	• •

The reporting priority is supported by a material matrix that considers the level of concern to stakeholders ("Stakeholders' Concern") and the significance of our impacts on the economy, environment and society ("Business Impact").

We update the material factors annually to reflect changes in business operations, stakeholder concerns and the sustainability landscape.

5.2.1 Materiality Matrix



6. Economic Performance

6.1 Sustainable Business Performance

We believe in creating long-term economic value for shareholders by striking a balance between rewarding shareholders by way of consistent profits and maintaining a robust balance sheet with strong operating cash flows.

Our Group posted a revenue of S$77.9 million for FY2022 representing an increase of 203.1% or S$52.2 million from S$25.7 million recorded in the previous corresponding period ("FY2021"), with a distinctive increase in retail and Internet marketing. Besides the positive contribution from the completion of the GU Acquisition and NG Acquisition on 25 April 2022 and 30 May 2022 respectively, we maintain a stable performance in the Project Sales and Project Management and Maintenance Services businesses by a series of strategies.

We take on the following strategies to sustain economic performance:

SUSTAINABILITY REPORT

6.1.1 Nurture a team of highly trained and experienced employees to serve our customers

We believe that highly trained and experienced professional staff allow us to provide value-added and excellent services to our customers. Our project engineers are skilled and qualified to respond swiftly to provide customised and timely solutions.

We welcome foreign workers to facilitate more effective and powerful operation, especially highly skilled foreign workers. Our Group's business is aligned with the broader national policy pertaining to migrant workers, such as Employment of Foreign Manpower Act, which regulates the employment of migrant workers and protect their well-being. We also explore to offer more training and upskilling opportunities for employees for more fruitful delivery.

6.1.2 Cultivate a long-term and sustainable relationship with our suppliers

We have secured diverse distributorship agreements with our key suppliers who are all leading players in their respective fields. With the good and stable relationships which we have built over the years, we are able to provide a comprehensive range of products which cater to the needs of our customers.

We consistently monitor, assess and record the performance of our suppliers and mitigate internal and external risks. The suppliers are evaluated on their price, quality, delivery, sales/technical support, terms of payment, breach in information security reported, and staff competency to manage information security and data protection.

Details of our economic performance can be found in the financial contents and audited financial statements of this Annual Report.

6.1.3 Achieve total customer satisfaction by offering comprehensive solutions that meet customers' needs

We provide total end-to-end business solutions for our full spectrum of project consultation, design, installation and implementation of data, video, fibre optics, wireless and cellular network and cellular network infrastructure and voice communication systems. We also provide network integration services which range from fixed line to wireless solutions, as well as seamless integration of voice and data signals used in telephone network which include video conferencing, voice messaging and recording systems. Additionally, by involvement of Ntegrator Holdings Limite, our business extends to provide a reliable source of timepieces, satisfying the diverse needs of our customers.

As a one-stop service provider, we also provide maintenance services such as hardware and software repair services, round-the-clock onsite and dial-in technical support and support services on an online customer relationship management ("CRM") system.

Prioritizing the needs of customers, we are committed to offering world-class and high-tech network infrastructure and voice communication systems. With a proven track record, we are able to secure material contracts from repeat customers and establish a strong customer base. In the previous and current year, we collect annual customer feedback on evaluation of sales personnel, call centre, engineering service, general service, and product quality, which serves as the reference for our further improvement. In the following year, we will continue to uplift customer experience and remain as service provider of choice.

Target for FY2022	Performance in FY2022	Target for FY2023
Maintain or improve our financial performance subject to market conditions	Group revenue for FY2022 increase by 203.1% or S$52.2 million when compared to previous corresponding period ("FY2021"), with a distinctive increase in retail and Internet marketing. Project Sales segment revenue decreased 39.2% in FY2022 and there is a slight increase in revenue of 5.7% from the Project Management and Maintenance Services.	Improve our financial performance in all business segments by 20% as compared with FY2022 subject to market conditions

7. Environment

7.1 Energy Conservation and Emission Reduction

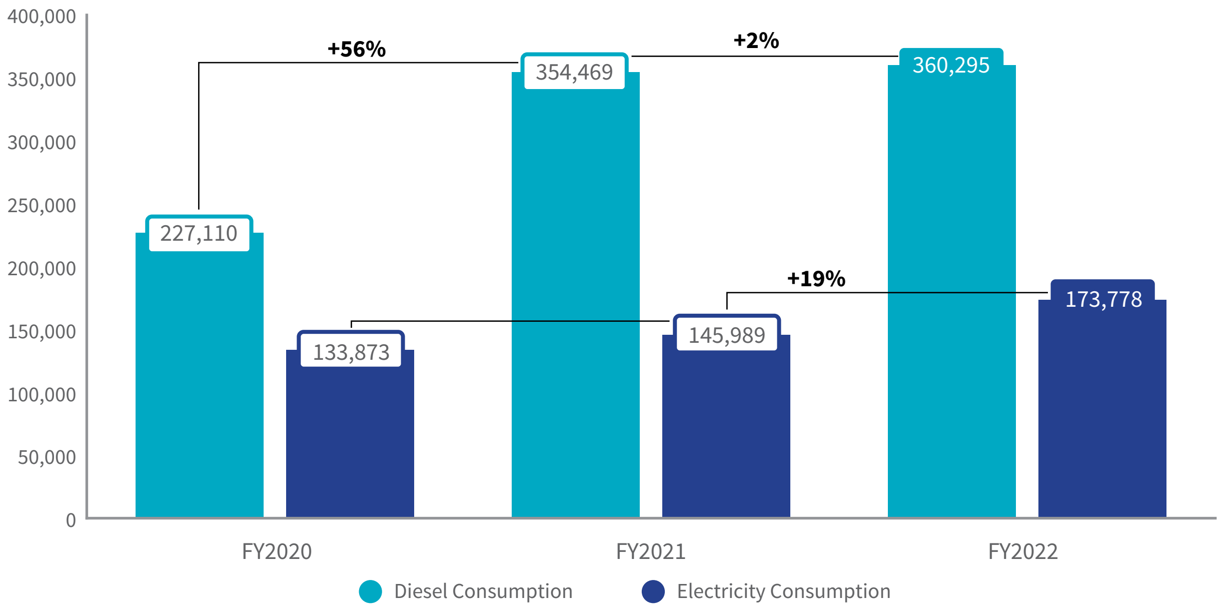
We are driven by our commitment to responsible usage of energy and reducing carbon emissions, helping to preserve the environment we operate in and yet reducing our costs, resulting in enhanced returns to shareholders.

To run our operations, we rely on energy resources in the following areas:

- Diesel for consumption by our fleet of transport vehicles and site machineries; and
- Electricity is required for lighting, office equipment and cooling.

Key statistics on energy consumption and related GHG emission during the Reporting Period are as follow:

Performance Indicator	FY2022	FY2021	FY2020
Diesel consumption (litre)	360,295	354,469	227,110
Electricity consumption (kWh)	173,778	145,989	133,873
Direct GHG emissions (Scope 1)[1] (tonnes CO_2e)	979	963	617
Indirect GHG emissions (Scope 2)[2] (tonnes CO_2e)	71	59	54
Total GHG emissions (tonnes CO_2e)	1,050	1,022	671
GHG emission intensity[3] (tonnes CO_2e / S$'000)	0.05	0.05	0.03



1 Scope 1 GHG emissions are calculated based on the Greenhouse Gas (GHG) Emissions Measurement and Reporting Guidelines published by the NEA. This calculation only consists of emissions from mobile combustion as we consider fugitive emissions and emissions from stationary combustion to be insignificant.

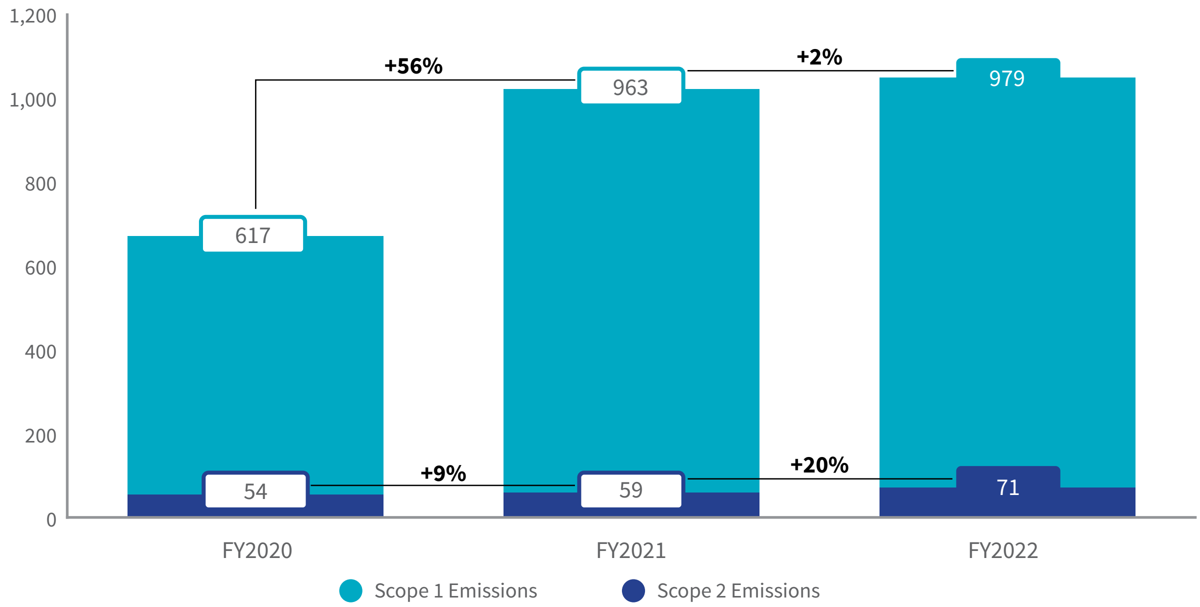
2 Scope 2 GHG emissions are calculated based on the average emissions factors published in the Singapore Energy Statistics by the Energy Market Authority.

3 The revenue only includes Project Sales and Project Management and Maintenance Services.

SUSTAINABILITY REPORT

There is a slight increase in diesel consumption (1.64%) and electricity consumption has increased by 19.04%, and the increase is mainly due to increased business volume that required longer working hours, as a result, total absolute GHG emissions is increased by 3%. The emission intensity is maintained at 0.05 tonnes CO_2e / S$'000.

We track and review spending on energy consumption regularly to control usage and corrective actions are taken when there are unusual consumption patterns. We constantly remind our staff of responsible behaviour and environmentally friendly habits at their workplaces, such as adopting greener work ethics, switching off appliances when not in use and enabling power-saving modes.



We continue to follow our practice to segregate our dormitories for migrant workers island-wide to reduce the travel distance to worksite, and send our transport vehicles for regular maintenance checks.

Target for FY2022	Performance in FY2022	Target for FY2023
Maintain or reduce GHG emissions intensity	Total absolute GHG emissions is increased by 3%, and the emission intensity is maintained at 0.05 tonnes CO_2e / S$'000.	Reduce GHG emissions intensity by 5%

8. Social

8.1 Safe Working Environment

Considering the telecommunication-related working environment, security of the workplace is vital in allowing employees to effectively carry out their work at the project sites without significant risk of injury. This helps to build assurance and trust amongst employees which in turn, helps to instill employee loyalty and maintain business sustainability.

Accordingly, we place high priority to maintain a safety and security-conscious culture amongst our employees.

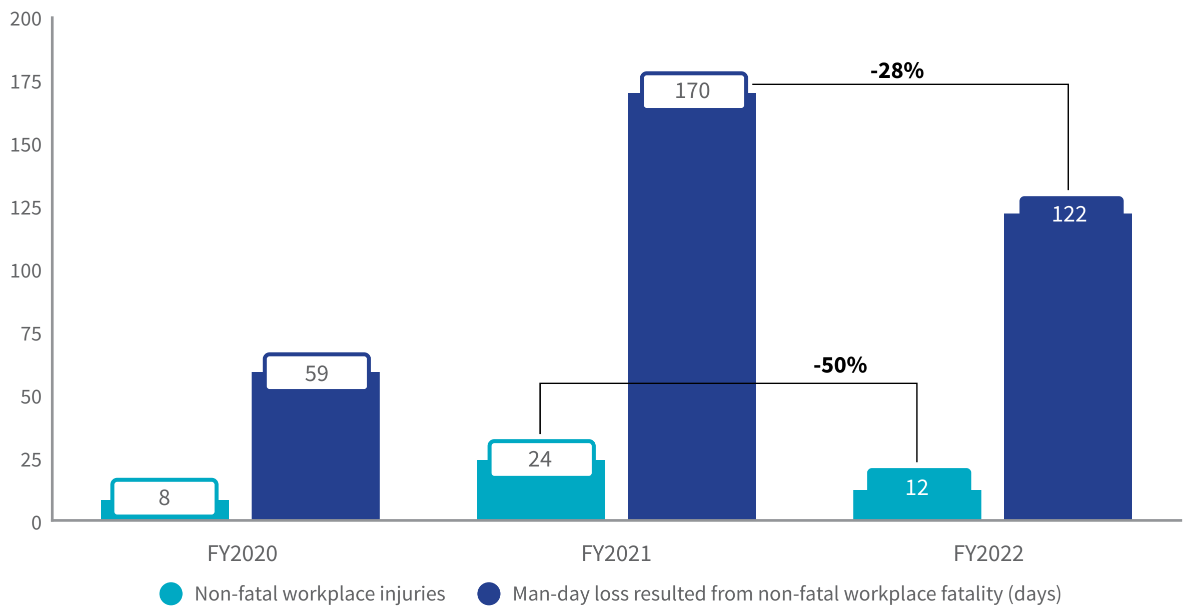
We place heavy emphasis on the need to comply with the applicable workplace safety and health regulations for our projects. Below are our key measures taken to manage health and safety at workplace:

- A set of safety rules and regulations is in place;
- A safety committee is in place and safety inspections are performed regularly by safety officers and reported to senior managers;
- All new employees are briefed on safety procedures during orientation; and
- Toolbox meetings are conducted regularly at project sites to brief employees on workplace hazards and safe work practices.

We provide four safety manuals in order to establish the safety and health control measures for safe entry into and work in confined spaces, to provide guidelines to workers and personnel who involve in this activity for using of ladder, to establish procedure for the use of Personal Protective Equipment (PPE), and to control and minimize any potential risks to site employees, customers, contractors, neighbors and the environment from the handling, use, storage, transportation, and disposition of materials.

We recorded zero incident of workplace fatality (FY2021: zero incident, FY2020: zero incident) during the Reporting Period and 12 (FY2021: 24, FY2020: 8) non-fatal workplace injuries, resulting in 122 man-days (FY2021: 170 man-days, FY2020: 59 man-days) lost during the Reporting Period. The non-fatal workplace injuries mainly cover leg, hand, finger, shoulder and chest injuries. Lessons from workplace accidents are shared across business units to prevent recurrence.

Performance Indicator	FY2022	FY2021	FY2020
Incident of workplace fatality	0	0	0
Non-fatal workplace injuries	12	24	8
Man-day loss resulted from non-fatal workplace fatality (days)	122	170	59



SUSTAINABILITY **REPORT**

Both Ntegrator Pte Ltd and Fiber Reach Pte Ltd are bizSAFE Star certified by the Workplace Safety and Health Council. This certification recognises our continuous efforts to incorporate safety as part of the business model.

Migrant workers supplement our nation's workforce and contribute to the building of our nation's telecommunications infrastructure. In the post-pandemic era, we continue to provide safe living environment for them and encourage good hygiene in dormitories. We clean and maintain the hygiene standards in the dormitories in accordance with the National Environment Agency ("NEA") guidelines.

Target for FY2022	Performance in FY2022	Target for FY2023
Reduce the number of workplace incidents (where applicable)	Target met as follows: Decrease in number of workplace incidents	Strive for 0 workplace accident

8.2 Welfare and Human Rights of Migrant Workers

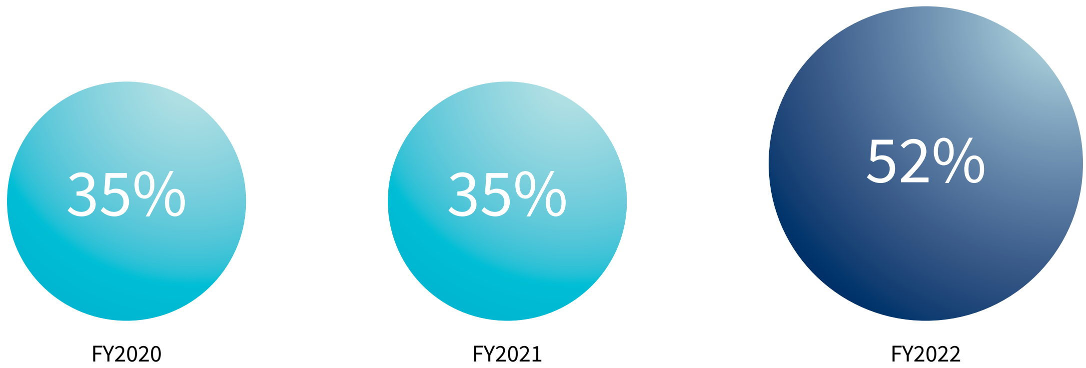
The business of providing cable laying services is labour intensive requiring the services of a large number of migrant workers. We recognise that migrant workers play an important role in our Group's value chain and all our migrant workers are entitled to respect and protection of their welfare and fundamental human rights.

We employed 197 (FY2021: 231, FY2020: 289) migrant workers as at 31 December 2022. The number of highly skilled foreign worker as a proportion of total migrant workers is approximately 51% (FY2021: 35%, FY2020: 35%).

We reaffirm our commitment to protect the welfare and human rights of our migrant workers through the following efforts:

- Align our Group's business to the broader national policy pertaining to migrant workers, such as Employment of Foreign Manpower Act, which regulates the employment of migrant workers and protect their well-being;
- Ensure that our migrant workers are provided with living and working conditions that not only comply with regulations, but are also reasonably clean, spacious, safe and liveable. Our migrant workers are housed in licensed dormitories licensed in accordance with the Foreign Employee Dormitories Act (FEDA) as foreign worker dormitories;
- Migrant workers are encouraged to upskill with training and certification. As at 31 December 2022, the number of highly skilled foreign workers as a proportion of total migrant workers is approximately 52% (FY2021: 35%, FY2020: 35%) (graph on next page); and
- Organise regular briefings for our migrant workers to help them understand their employment rights and responsibilities while working in Singapore.

PERCENTAGE OF HIGHLY SKILLED WORKERS



Target for FY2022	Performance in FY2022	Target for FY2023
Percentage of highly skilled migrant workers amongst total number of migrant workers should not fall below 25%	Target met as follows: Percentage of highly skilled migrant workers amongst total number of migrant workers exceeds 25% and hits 52%	Percentage of highly skilled migrant workers amongst total number of migrant workers should not fall below 35%

8.3 Employee Retention

Evaluation on employment constitutes an important part of a company's social contributions and our business emphasizes the diversity of members working with us.

	Local workers	Migrant workers	% of highly skilled foreign workers in total migrant workers
FY2020	67	289	35%
FY2021	73	231	35%
FY2022	54	197	52%

Identifying, recognizing and rewarding quality employees is essential in our hiring and retention strategy. We advocate fair employment practices by ensuring equal opportunities for recruitment, fair compensation, career progression and training opportunities.

As at 31 December 2022, our total number of employees stands at 54 (FY2021:73, FY2020: 67). The decrease in the number of employees is in line with our dynamic business strategy.

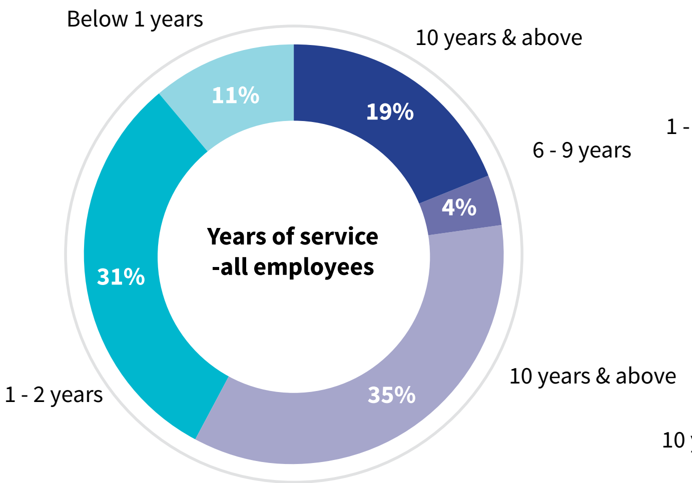
SUSTAINABILITY REPORT

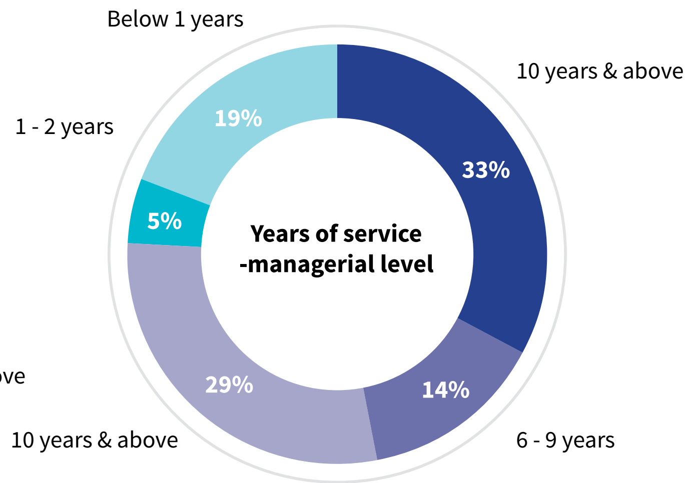
We are committed to employee retention through the following efforts:

- A code of conduct is in place to provide guidance on employee benefits and disseminate corporate culture;
- Competitive remuneration and benefits package;
- Staff assessments are performed regularly to evaluate staff performance and employees are encouraged to undergo training that will improve their skills and abilities. During the Reporting Period, 100% (FY2021: 100%, FY2020: 100%) of employees received regular performance reviews; and
- Loyal employees are presented with long service awards.

We strongly believe that a low turnover improves the sustainability of our operations and allows us to contribute positively to the development of social and human capital. Our turnover rate is 26% (FY2021: 19%, FY2020: 33%) as at 31 December 2022 due to company restructuring.

The management team has professional expertise and strong customer relationship to maintain the sustainable success of Ntegrator. We focus on the retention of talent by providing fair and sustainable financial and non-financial incentives, such as learning and development opportunities. 58% of employees have served the company for more than 3 years, and 33% of managers have served the company for 10 years and above.



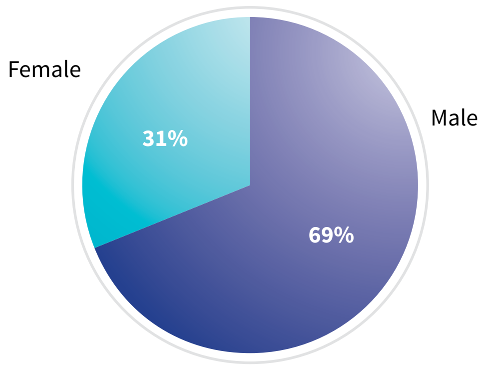


Target for FY2022	Performance in FY2022	Target for FY2023
Maintain or improve employee retention rate subject to business performance and market conditions	Target not met as follows: Staff retention rate is lower than that of FY2021 mainly due to business restructure	Maintain or improve employee retention rate subject to business performance and market conditions

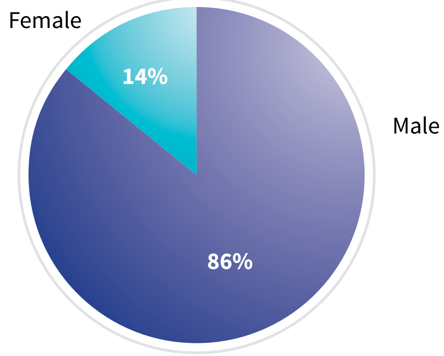
8.4 Equality and Diversity in the workplace

We provide fair employment opportunities to all, regardless of age, gender, race, or nationality. There is an increase in the percentage of female full-time employees (FY2022: 31%; FY2021: 30%; FY2020: 30%) and the proportion of female representation in the Board levels at 14% (FY2021: 14%; FY2020: 0%); the proportion of female members at managerial level decreases to 14% (FY2021: 25%; FY2020: 23%) due to changes at the management level. We ensure that fair work practices and remuneration are ascertained based on individual work performance and not on any gender considerations. No form of discrimination is tolerated within our organization. There has been no incident of discrimination reported.

Gender diversification (all employees)

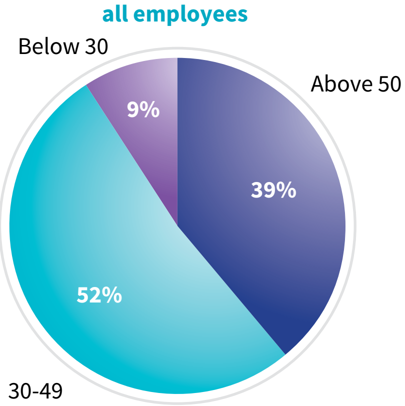


Gender diversification (managerial level)

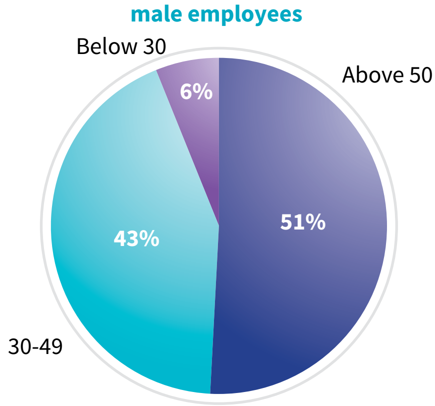


Ntegrator maintains fair and open employment policy through providing fair employment opportunities to both young and older workers above age 50 years old; mature workers are valued for their experience knowledge and skills. Staff are reviewed under the annual staff appraisal which is based on performance and is not bound by gender, race, age or nationality. Our workforce has a good balance in employee age distribution, with 61% under the 50-year-old group and 39% above 50 years old.

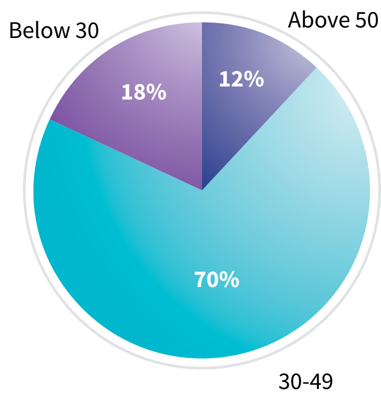
Age profile of all employees



Age profile of male employees



Age profile of female employees

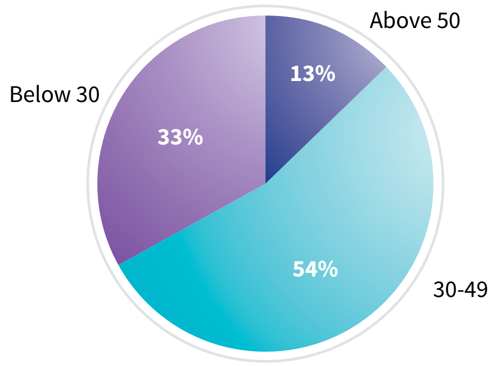


We are continuously recruiting talents, particularly younger talents and grooming them through mentorship and on-the-job training programs.

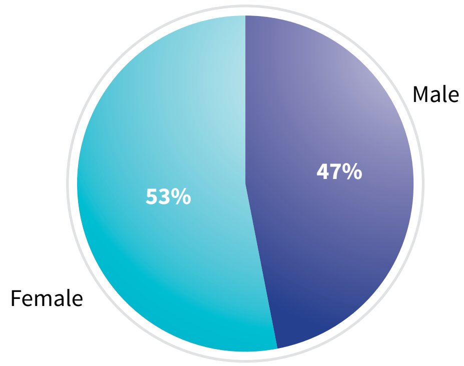
SUSTAINABILITY REPORT

In FY2022, the number of new hires is 15, with 6 at managerial level. New hires of females are almost balanced with that of males. The total amount of turnover in FY2022 is 19 (26%), with 5 at managerial level.

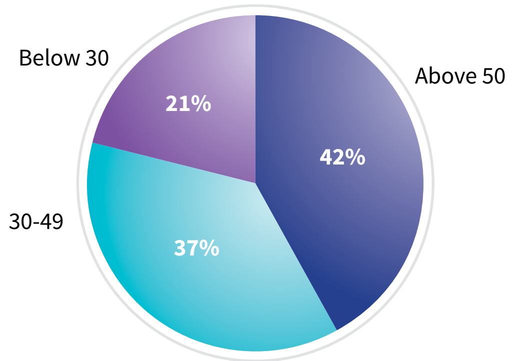
% of new hire by age



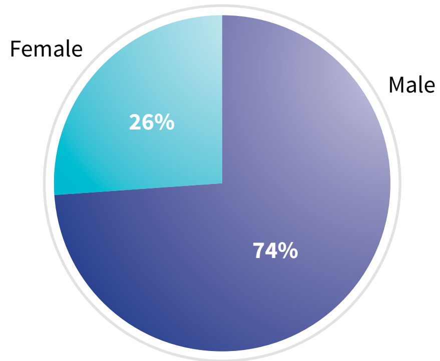
% of new hire by gender



% of turnover by age

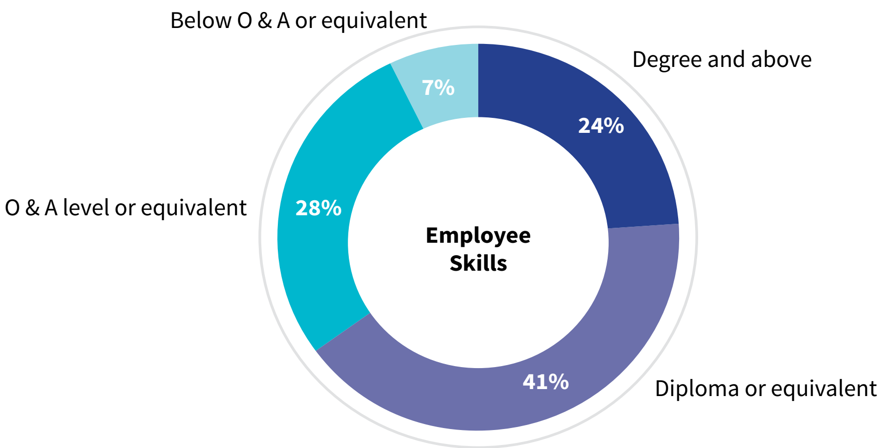


% of turnover by gender



In terms of employee skills profile, we have maintained a good proportion of management and staff to lead and drive the business growth for our Company.

For diversity in educational background, we seek to create an inclusive environment for employees from different educational background. As at 31 December 2022, the percentages of employees with tertiary and non-tertiary education are 65% and 35% (FY2021: 53% and 47%; FY2020: 57% and 43%) respectively.



Target for FY2022	Performance in FY2022	Target for FY2023
Maintain zero reported incident of unlawful discrimination against employees	Target met as follows: • Zero reported incident of unlawful discrimination against employees • Ratio of female against male employees reaches almost 45% • Ratio of employees with age 50 and above hits 39% Target not met as follows: • Ratio of female against male managers decrease to 16% • Ratio of employees with non-tertiary education falls to 35%	• Maintain zero reported incident of unlawful discrimination against employees • Ratio of female against male employees should not fall below 20%[3] • Ratio of female against male managers should not fall below 20% • Ratio of employees with age 50 and above should not fall below 20% • Ratio of employees with non-tertiary education should not fall below 40%

8.5 Development and Training

With attention on the development of employees, we cater essential construction courses like Construction Safety Orientation Course ("CSOC") and Perform Work In Confined Space Operation ("PWCSO") for our workers. On average, we have provided 16 training hours per employee during the reporting period.

Pursuant to the announcement of Singapore Exchange Regulation (SGX RegCo), 3 of our directors have taken the sustainability training courses of ESG – *Environmental, Social and Governance Essentials* by Singapore Institute of Directors (SID) and 1 of our directors participated in *Sustainability E-Training for Directors* provided by Institute of Singapore Chartered Accountants (ISCA). We will continue to get ourselves involved in relevant sustainable training activities.

Target for FY2022	Performance in FY2022	Target for FY2023
Not Applicable as this is a new topic for FY2022	Average of 16 training hours for our workers	Improve the training hours to an average of 24 hours for our workers

9. Governance

9.1 Robust Corporate Governance Framework

A high standard of corporate governance is integral in ensuring sustainability of our business as well as safeguarding shareholders' interest and maximising long term shareholder value.

We have implemented a whistle blowing policy to provide a mechanism for employees to raise concerns through accessible confidential disclosure channels about possible improprieties in matters of financial reporting and others. During the Reporting Period, zero incident of serious offence is reported through our whistle blowing channel (FY2021: zero incident; FY2020: zero incident). Proportion of female representation on the Board is reported to be 14% this year (FY2021: 1 female director or 14%, FY2020: zero female director or 0%).

[3] The Group considers the 20% target reasonable due to the nature of work in the construction industry.

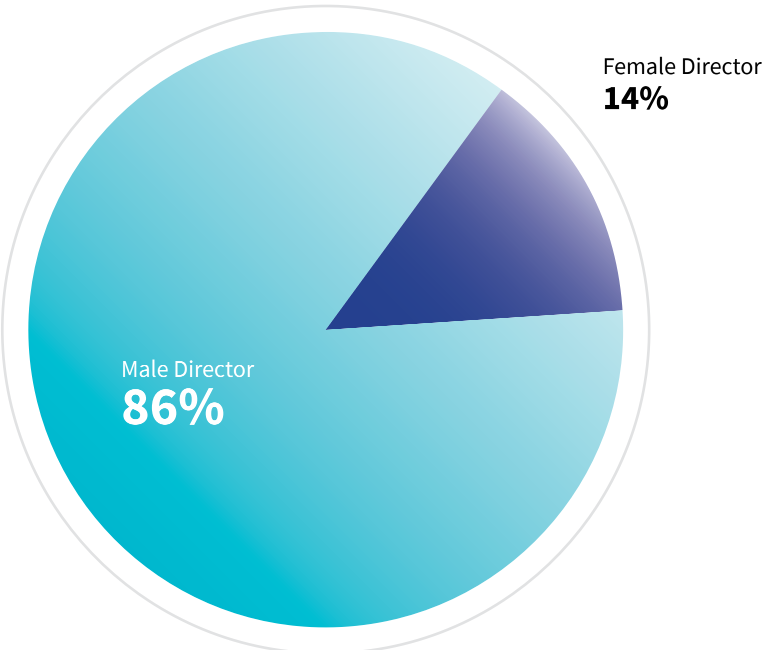
SUSTAINABILITY REPORT

We have also put in place a risk management framework ("ERM framework"). We regularly assess and review our business and operational environment to better identify and manage emerging and strategic sustainability risks, including climate-related risks and opportunities.

Data Protection Policy comprises another important component under our robust governance framework. It is regulated that data collection should be conducted on a knowingly and voluntarily basis. We also demands appropriate administrative, physical and technical measures, such as up-to-date antivirus protection, encryption, use of privacy filters, and disclosing personal data both internally and to our authorised third party service providers and agents only on a need-to-know basis. Our Data Protection Officer is responsible to respond to any enquiries or feedback on the personal data protection policies and procedures.

Our overall Singapore Governance and Transparency Index ("SGTI") score assessed by National University of Singapore Business School is witnessed to increase to 71 (FY2021: 62; FY2020: 58) for the year 2022. We will continuously work towards improving our SGTI score.

More details on our corporate governance practices may be referred to in Corporate Governance Report of this Annual Report.



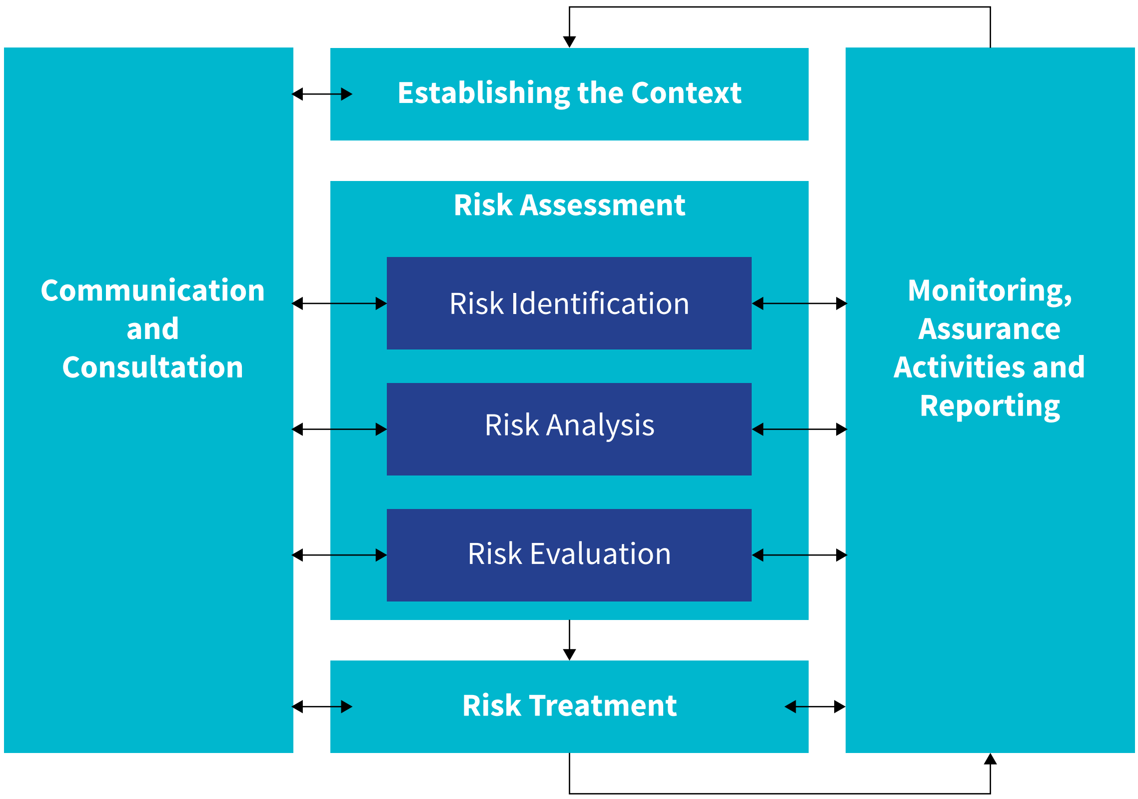
Target for FY2022	Performance in FY2022	Target for FY2023
Maintain zero incident of serious offence	Target met as follows: • Maintain zero incident of serious offence • SGTI score further increases	• Maintain zero incident of serious offence • Improve the SGTI score to 75

9.2 Risk Management

Risk management is taken seriously by our Group. With Enterprise Risk Management (ERM) policy, a risk management framework is employed to profile risks of Ntegrator Holdings Limited ("Ntegrator") and its subsidiaries (collectively referred to as the "Group").

The Group's Risk Management Framework which identifies key risks within the Group's businesses, is aligned with the ISO 31000:2018 Risk Management framework. The Risk Management Framework is reviewed by the Audit Committee and approved by the Board.

Risk management process is a continual process that involves five key activities: communication and consultation, establishing the context, risk assessment, risk treatment, monitoring and review, inter-relations of which are as shown in the chart.



Personnel involved in the exercise of risk management are as follows: 1) Executive Director, Christian Kwok-Leun Yau Heilesen, who shoulders the risk responsibility of strategic development, business development, and investment; 2) Executive Officer ("EO"), Jimmy Chang, who shoulders the risk responsibility of business development, investment, and overall management; 3) Financial Controller ("FC"), Kenneth Sw, who shoulders the risk responsibility of corporate governance, finance, accounting, fixed asset management, credit control, IT, legal/ regulatory, inventory control and logistics, administration, and human resource.

The focus of risk management is to identify currency risk, credit risk, liquidity risk, and capital risk under market risk, as well as technological changes, political, regulatory and economic conditions under business risk; more information on this can be found in the financial contents.

Apart from monitoring the processes for evaluating the adequacy and effectiveness of internal controls (including financial, operational, compliance and information technology controls) and risk management systems annually, climate risk shall be integrated in the current ERM system in the years to come.

SUSTAINABILITY **REPORT**

10. SDG & TCFD tables

SDG	Our Effort	Target	Target Date	Progress
Ensure healthy lives and promote well-being for all at all ages	**Safe Working Environment** We constantly implement safety measures and procedures to avoid accidents that are preventable and therefore, maintain the well-being and safety of our workers.	Zero fatality at the workplace	Short Term	On track
	Welfare and Human Rights of Migrant Workers We ensure that our migrant workers are treated fairly and are provided with the necessary welfare. They are also provided with opportunities to improve their skills, which helps us to maintain a productive and quality workforce that is vital to the success of our business.	Zero workplace incidents	Short Term	On track
Take urgent action to combat climate change and its impacts	**Energy Conservation and Emission Reduction** We implement measures to reduce our energy consumption as not only does it help to improve energy efficiency and reduce GHG emissions, it also helps us to reduce costs incurred to support our business operations.	Enhance energy efficiency Decrease GHG emissions by 50% by 2030	Long Term Medium Term	On track On track
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	**Total Customer Satisfaction** We are determined to bring world-class and high-tech network infrastructure and voice communication systems to our customers through providing comprehensive and customised solutions and maintaining service excellence. This in turn contributes to economic growth.	Take actions in response to the customer feedbacks Maintain systematic and effective recordings of customer feedback	Short Term Medium Term	On track On track
	Sustainable Business Performance We contribute to economic growth through creating long term economic value for our shareholders.	Improve business performance year on year	Short Term	On track
	Employee Retention We place heavy emphasis on retaining a workforce that is of high quality, skilled and experienced, which contributes to the success of our business. This in turn creates long term economic value for shareholders as well as economic productivity.	Keep employee rate retention stable	Long Term	On track

SDG	Our Effort	Target	Target Date	Progress
 Reduce inequality within and among countries	**Equality and Diversity in the Workplace** We ensure equal opportunity for all regardless of gender, age, and educational background.	Maintain a balanced and diverse workforce	Medium - Long Term	On track
 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective accountable and inclusive institutions at all levels	**Robust Corporate Governance Framework** We maintain a high standard of corporate governance framework not only to maintain the transparency of our business, but also to safeguard our shareholders' interests and maximise long-term shareholders' value.	Sustainable business value creation for all stakeholders	Long Term	On track

TCFD Recommendations	Expected Implementation	Time frame
Climate-Related Risks		
Transition Risks		
Policy and Legal	Increased pricing of GHG emissions and increased exposure to litigation can lead to negative impacts, including increased operating costs (e.g., higher compliance costs, increased insurance premiums) or reduced demand for products and services resulting from fines and judgments. Our group addresses the problem by involving legal and regulatory responsibilities into the risk management framework and allocate such responsibilities clearly onto different individuals.	Short-term
Technology	Not Applicable	
Market	As we have gone through business reconstruction recently, changing customer behaviour and uncertainty in market signals can result in reduced demand for goods and services, increased production costs due to changing input prices and output requirements. Our group responses by actively engaging stakeholders via various channels and regularly take in their suggestions.	Long-term

SUSTAINABILITY REPORT

TCFD Recommendations	Expected Implementation	Time frame
Reputation	Shifts in consumer preferences, stigmatization of sector, and increased stakeholder concern or negative stakeholder feedback are the potential reputational risks our company faces. These may lead to the results of reduced revenue from decreased demand for goods/services, reduced revenue from decreased production capacity (e.g., delayed planning approvals, supply chain interruptions), reduced revenue from negative impacts on workforce, management and planning, and reduction in capital availability. Our group is and will stay aware of relevant problems by the robust management system, concerns on diverse engagement of workforce, and active communication with our stakeholders.	Long-term
Physical risks		
Acute	Not Applicable	
Chronic	Not Applicable	

Climate-related opportunities		
Resource Efficiency	Adoption of more efficient production and distribution processes as well as usage of recycling may help us in reducing operating costs and increasing production capacity.	Medium-term
Energy Source	Involvement of supportive policy incentives can benefit reputation and increase demand for goods or services.	Medium-term
Products and Services	Development and expansion of low emission goods and services, climate adaptation and insurance risk solutions come along with our business reconstructing. Our group hopes to develop our new products and services with innovation and sustainability. We hope to achieve a better competitive position to reflect shifting consumer preferences and increased revenues.	Long-term
Markets	Active participation in sustainable fields will allow us access to new markets, which may increase revenues through access to new and emerging markets, partnerships with governments and development banks, for example.	Long-term
Resilience	Our group recognises the significance of resource substitutes and diversification. We hope to implement resource resilience into sales and project management and increase reliability of our supply chains.	Long-term

APPENDIX I
SUSTAINABILITY PERFORMANCE TABLE

S/N	Performance indicator	Sustainability performance		
		FY2022	FY2021	FY2020
Economic				
1	Revenue contributed by Project Sales	S$ 1.8 million	S$ 3.0 million	S$ 7.2 million
2	Revenue contributed by Project Management and Maintenance Services	S$ 20.6 million	S$ 19.6 million	S$ 15.9 million
3	Revenue contributed by Retail	S$ 52.4 million	S$ 3.1 million	-
4	Revenue contributed by Internet Marketing	S$ 3.0 million	-	-
5	Net loss after tax	(S$ 6.3 million)	(S$ 2.9 million)	(S$ 5.0 million)
Environment				
Energy conservation and emission reduction				
6	Diesel consumption	360,296 litre	354,469 litre	227,110 litre
7	Electricity consumption	173,778 kWh	145,989 kWh	133,873kWh
8	Direct GHG emissions (Scope 1)	979 tonnes	963 tonnes	617 tonnes
9	Indirect GHG emissions (Scope 2)	71 tonnes	59 tonnes	54 tonnes
10	Total GHG emissions (CO_2e)	1,050 tonnes	1,022 tonnes	671 tonnes
11	GHG emissions intensity (tonnes CO_2e / S$'000)	0.05	0.05	0.03
Social				
Safe Working Environment				
12	Number of workplace fatality	0	0	0
13	Number of incidents of non-fatal workplace injuries	12	24	8
14	Number of man days lost	122	170	59
Welfare and Human Rights of Migrant Workers				
15	Number of migrant workers	197	231	289
16	Percentage of highly skilled migrant workers amongst total number of migrant workers	52%	35%	35%
Employee Retention				
17	Percentage of employee receiving regular performance and career development reviews	100%	100%	100%
18	Percentage of employees who have served more than 3 years	-	66%	66%
19	Percentage of managers who have served more than 3 years	-	90%	86%
20	Turnover rate	26%	19%	33%
21	Turnover rate of female	26%	-	-
22	Turnover rate of age above 50 group	42%	-	-

APPENDIX I
SUSTAINABILITY PERFORMANCE TABLE

S/N	Performance indicator	Sustainability performance		
		FY2022	FY2021	FY2020
Equality and Diversity in the Workplace				
23	Ratio of female over total Board members	14%	14%	0%
24	Ratio of female against total full-time employees	31%	30%	30%
25	Ratio of female against total managers	14%	25%	23%
26	Ratio of employees who are at least 50 years old	39%	-	-
27	Ratio of male employees who are at least 50 years old	51%	-	-
28	Ratio of female employees who are at least 50 years old	12%	-	-
29	Ratio of female new hires	53%	-	-
30	Ration of new hires above age 50	13%	-	-
31	Ratio of employees with non-tertiary education	35%	47%	43%
32	Number of reported incidents of unlawful discrimination against employees	0	0	0
Governance				
Robust corporate governance framework				
33	Number of incidents of serious offence	0	0	0
34	SGTI score	67	62	58

APPENDIX II
GRI INDEX

Statement of use	**Ntegrator Holdings Limited has reported the information cited in this GRI content index for the period 01 Jan 2022 to 31 Dec 2022 with reference to the GRI Standards.**
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure		Page Number
General Disclosures			
GRI 2: General Disclosures 2021	2-1	Organisational details	49
	2-2	Entities included in the organisation's sustainability reporting	50
	2-3	Reporting period, frequency and contact point	50
	2-4	Restatements of information	50
	2-5	External assurance	NIL
	2-6	Activities, value chain and other business relationships	49
	2-7	Employees	51, 58
	2-8	Workers who are not employees	58-59
	2-9	Governance structure and composition	11-13
	2-10	Nomination and selection of the highest governance body	23-25
	2-11	Chair of the highest governance body	49
	2-12	Role of the highest governance body in overseeing the management of impacts	49
	2-13	Delegation of responsibility for managing impacts	49
	2-14	Role of the highest governance body in sustainability reporting	49, 65-66
	2-15	Conflicts of interest	33
	2-16	Communication of critical concerns	51
	2-17	Collective knowledge of the highest governance body	48
	2-18	Evaluation of the performance of the highest governance body	25-26
	2-19	Remuneration policies	27-28
	2-20	Process to determine remuneration	26-28
	2-21	Annual total compensation ratio	28-29
	2-22	Statement on sustainable development strategy	51
	2-23	Policy commitments	50-51
	2-24	Embedding policy commitments	50-51
	2-25	Processes to remediate negative impacts	63-65
	2-26	Mechanisms for seeking advice and raising concerns	51, 65
	2-27	Compliance with laws and regulations	65
	2-28	Membership associations	NIL
	2-29	Approach to stakeholder engagement	51
	2-30	Collective bargaining agreements	NIL

APPENDIX II
GRI INDEX

GRI Standard	Disclosure		Page Number
GRI 3: Material Topics 2021	3-1	Process to determine material topics	52-53
	3-2	List of material topics	52-53
	3-3	Management of material topics	52-53
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	56
	302-3	Energy intensity	56
	302-4	Reduction of energy consumption	56-57
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	56
	305-2	Energy indirect (Scope 2) GHG emissions	56
	305-4	GHG emissions intensity	56
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	61-63
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	60-61
GRI 403: Occupational Health and Safety 2018	403-9	Work-related injuries	57
	403-10	Work-related ill health	57
GRI 404: Training and Education 2016	404-3	Percentage of employees receiving regular performance and career development reviews	61
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	61
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	64-65

APPENDIX III
TCFD CONTENT INDEX

TCFD Recommendations		Company Approach	Page Number
Governance			
Disclose the organization's governance around climate-related risks and opportunities.	a. Describe the board's oversight of climate-related risks and opportunities. b. Describe management's role in assessing and managing climate-related risks and opportunities.	As the Board advises and oversees the development of our sustainability strategy and performance targets, we operate under a sustainability governance structure, which is spearheaded by the Sustainability Committee. The Sustainability Committee is responsible for reviewing our sustainability progress, discussing and coordinating on how the Group can better implement sustainability initiatives and contribute to sustainability efforts.	49
Strategy			
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	We highlight possible environmental impacts in the disclosures of diesel and electricity consumption and GHG emissions. We also include potential climate-related risks and expected implementation in the TCFD table.	56, 67, 70, 71

APPENDIX III
TCFD CONTENT INDEX

TCFD Recommendations		Company Approach	Page Number
Risk Management			
Disclose how the organization identifies, assesses, and manages climate-related risks	a. Describe the organization's processes for identifying and assessing climate-related risks. b. Describe the organization's processes for managing climate-related risks. c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	We engage our stakeholders when identifying and assessing material topics we should take notice of, among which include energy conservation and emission reduction. Climate-related risks are involved in the discussion of managing environmental impacts. We are at the initial stage of identifying the materiality of climate-related risks, and the result will inform the integration of climate-related risks into the Company's overall risk management framework.	52, 53, 56, 70
Metrics and Targets			
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks. c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	We display how materiality assessment is done and material topics are decided and illustrate how our risk management system operate under the sustainability governance structure. We disclose Scope 1 and Scope 2 and plan to expand the scope of disclosure in the next year.	49, 52, 56, 66

FINANCIAL CONTENTS

DIRECTORS' STATEMENT

For the financial year ended 31 December 2022

The directors present their statement to the members of Ntegrator Holdings Ltd. (F.K.A. Watches.com Limited) (the "Company") together with the audited consolidated financial statements of the Company and its subsidiaries (collectively, the "Group") for the financial year ended 31 December 2022 and the statement of financial position and statement of changes in equity of the Company as at 31 December 2022.

In the opinion of the directors:

(a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 84 to 161 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022 and the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended on that date in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS (I)"); and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

1 Directors

The directors of the Company in office at the date of this statement are:

Chay Yiowmin	*Independent Non-Executive Chairman*
Christian Kwok-Leun Yau Heilesen	*Executive Director*
Han Meng Siew	*Executive Director*
Leung Kwok Kuen Jacob	*Independent Non-Executive Director*
Leung Yu Tung Stanley	*Independent Non-Executive Director*
Zhou Jia Lin	*Independent Non-Executive Director*
Tao Yeoh Chi	*Independent Non-Executive Director*

2 Arrangements to Enable Directors to Acquire Shares and Debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, except as disclosed in Note 5 of this statement.

3 Directors' Interests in Shares or Debentures

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act 1967 (the "Act"), the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations except as stated below.

	Direct interest		Deemed interest	
Name of directors	**At the beginning of year**	**At the end of year**	**At the beginning of year**	**At the end of year**
The Company				
Number of ordinary shares				
Christian Kwok-Leun Yau Heilesen	-	-	171,314,500	57,104,833 *
Han Meng Siew	11,390,640	3,796,880 *	16,491,000	5,497,000 *

3 Directors' Interests in Shares or Debentures (cont'd)

Christian Kwok-Leun Yau Heilesen is the sole shareholder and director of Mission Well Limited and is deemed interested in the 57,104,833 ordinary shares of the Company held by Mission Well Limited as at 31 December 2022.

* Share consolidation of every three (3) existing ordinary shares in the capital of the Company held by Shareholders as at the Share Consolidation Record Date into one (1) Consolidated Share, fractional entitlements to be disregarded, has been completed on 9 May 2022 as per announcement released on 20 May 2022.

There was no change in any of the above-mentioned interests between the end of the financial year and 21 January 2023.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares or debentures of the Company and its related corporations, either at the beginning of the financial year or at the end of the financial year.

4 Warrants

On 29 November 2021, the Company issued 172,400,000 unlisted warrants (the "Warrants") to the Subscribers pursuant to the Placement Agreements. Each Warrants shall grant the holder thereof the right to subscribe for one new ordinary share of the Company at an exercise price of S$0.0082 for each share. The Warrants may be exercised during the period commencing on the date of issue of the Warrants and expiring on the date falling five calendar years after the date of issue of the Warrants.

The details of the outstanding Warrants are as follows:

Financial year	At the beginning of year	Warrants issued	Warrants exercised	At the end of year
2022	133,600,000	-	(112,566,666) * (1)	-

Movement of Warrants

Date	Warrants Outstanding	Remarks
1 January 2022	133,600,000	Balance as of 1 January 2022
28 January 2022	(102,050,000) *	Issued and allotted of new ordinary shares
	--------------------	
	31,550,000	
9 May 2022	(21,033,334) (1)	Share consolidation of every three (3) existing ordinary shares into one (1) consolidated share
15 July 2022	(10,516,666) *	Issued and allotted of new ordinary shares
	---------------------	
31 December 2022	-	
	============	

* On 28 January 2022, the Company allotted and issued a total of 102,050,000 new ordinary shares in the capital of the Company (the "New Shares") at an exercise price of S$0.0082 for each New Share to the exercise of 102,050,000 Warrants.

* On 15 July 2022, the Company allotted and issued a total of 10,516,666 new ordinary shares in the capital of the Company (the "New Shares") at an exercise price of S$0.0246 for each New Share to the exercise of 10,516,666 Warrants.

(1) Share consolidation of every three (3) existing ordinary shares in the capital of the Company held by Shareholders as at the Share Consolidation Record Date into one (1) Consolidated Share, fractional entitlements to be disregarded, has been completed on 9 May 2022 as per announcement released on 20 May 2022.

DIRECTORS' STATEMENT

For the financial year ended 31 December 2022

5 Ntegrator Employee Share Option Scheme

The Ntegrator Employee Share Option Scheme (the "Scheme") of the Company was adopted and approved by the shareholders of the Company at the Extraordinary General Meeting held on 15 December 2021. The Scheme is administered by the Remuneration Committee (the "Committee") of the Company, comprising 4 directors, Leung Kwok Kuen Jacob, Leung Yu Tung Stanley, Zhou Jia Lin and Chay Yiowmin. The Scheme shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years, commencing on the date on which the Scheme is adopted.

The objective of the Scheme is to provide an opportunity for the employees and directors of the Group who have contributed significantly to the growth and performance of the Group to participate in the equity of the Company and inculcate in all participants a stronger and more lasting sense of identification with the Company. The Scheme is designed to reward and retain employees whose services are vital to the growth and performance of the Company and/or the Group.

Subject to the absolute discretion of the Committee, the following persons shall be eligible to participate in the Scheme:

(a) any confirmed employee of the Group (including any Director of the Company and/or a director of the Company's subsidiaries, as the case may be, who performs an executive function ("Group Executive Director") selected by the Committee to participate in the Scheme in accordance with the rules of the Scheme ("Group Employee");

(b) Directors of the Company (including Non-Executive Directors);

(c) Controlling shareholders and their associates; and

(d) Directors or employees of the Company's parent company and its subsidiaries.

Other salient information relating to the Scheme is set out below.

(i) The number of shares over which options may be granted to a participant for subscription under the Scheme shall be determined at the absolute discretion of the Committee.

(ii) The aggregate number of Shares over which options may be granted on any date under the Scheme, when added to the number of Shares issued and/or issuable in respect of all options granted under the Scheme and all shares, options or awards granted under any other share option or share scheme of the Company then in force, shall not exceeded 20% of the total issued Shares of the Company excluding treasury shares and subsidiary holdings from time to time.

(iii) The exercise price for each share in respect of which an option is exercisable shall be determined by the Committee at its absolute discretion, and fixed by the Committee at the market price or a price which is set at a discount to the market price, the quantum of such discount to be determined by the Committee at its absolute discretion, provided that the maximum discount which may be given in respect of any option shall not exceed 20% of the Market Price and shareholders at a general meeting in a separate resolution shall have authorized the making of offers and grants of options under the Scheme at a discount not exceeding the maximum discount of 20%.

(iv) The Committee may grant Options with or without a discounted Exercise Price. In the event that Options are granted at a discount, the discount shall not exceed twenty per cent (20%) of the Market Price. Options granted with a discount under the Scheme are subject to a longer vesting period of two years compared to one year for the Options granted at the Market Price.

5 Ntegrator Employee Share Option Scheme (cont'd)

Since the commencement of the Scheme till the end of the financial year, no options have been granted to the directors and employees of the Group.

No options were granted during the financial year to subscribe for unissued shares of the Company or its subsidiary corporations.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations.

There were no unissued shares of the Company or its subsidiary corporations under option at the end of the financial year.

6 Audit Committee

The Audit Committee ("AC") comprises the following independent directors at the date of this statement:

Chay Yiowmin (Chairman)
Leung Yu Tung Stanley
Leung Kwok Kuen Jacob
Zhou Jia Lin

The AC carried out its functions in accordance with Section 201B(5) of the Act, the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual and the Code of Corporate Governance and assists the Board of Directors (the "Board") in the execution of its corporate governance responsibilities within its established terms of reference.

The duties of the AC, amongst other things, include:

- review the audit plans of the internal and external auditors of the Company, and review the internal auditors' evaluation of the adequacy of the Group's/Company's system of internal accounting controls and the assistance given by the Group's/Company's management to the external and internal auditors;
- review the half yearly announcement of financial statements and annual financial statements and the auditors' report on the annual consolidated financial statements of the Company and its subsidiaries before their submission to the Board;
- review the effectiveness of the Group's/Company's material internal controls, including financial, operational, compliance and information technology controls and risk management via reviews carried out by the internal auditors;
- meet with the external and internal auditors, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;
- review legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programs and any reports received from regulators;
- review the cost effectiveness and the independence and objectivity of the external auditors;
- review the nature and extent of non-audit services provided by the external auditors;
- recommend to the Board the external auditors to be nominated, approve the compensation of the external auditors and review the scope and results of audit;

DIRECTORS' STATEMENT

For the financial year ended 31 December 2022

6 Audit Committee (cont'd)

- report actions and minutes of the AC to the Board with such recommendations as the AC considers appropriate;
- review interested person transactions in accordance with the requirements of the SGX-ST Listing Manual; and
- undertake such other functions and duties as may be agreed to by the AC and the Board.

The AC is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, RT LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

Further details regarding the AC are disclosed in the Report on Corporate Governance included in the Company's Annual Report.

7 Independent Auditors

The independent auditors, RT LLP, have expressed their willingness to accept re-appointment as auditors.

On behalf of the Board of Directors,

Christian Kwok-Leun Yau Heilesen Director	Han Meng Siew Director

Singapore
29 July 2023

INDEPENDENT AUDITOR'S REPORT

to the Members of Ntegrator Holdings Limited

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of Ntegrator Holdings Ltd (F.K.A. Watches.com Limited) (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2022, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group, and the statement of changes in equity of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying financial statements of the Group and the statement of financial position and statement of changes in equity of the Company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

Notice of Compliance ("NOC") issued by Singapore Exchange Regulation ("SGX RegCo" or the "Exchange")

On 27 June 2022, the Company received a NOC from the Exchange requires the Company to appoint a suitable joint independent reviewer ("Joint Independent Reviewer") to perform a holistic review of certain corporate actions and fund-raising exercises announced by both the Company and Incredible Holdings Ltd ("Incredible"), a company listed on Catalist.

Mr Christian Kwok-Leun Yau Heilesen ("Mr Heilesen") is the Executive Director of both the Company and Incredible respectively. Furthermore, the Company and Incredible have substantially similar members on their Audit Committee and Nominating Committee.

Relevant corporate actions and fund-raising exercises under the scope of review by the Joint Independent Reviewer are:

1. Acquisitions of 55% and 42% equity interests in Golden Ultra Limited by the Company and Incredible respectively from Mr Heilesen;

2. Acquisitions of 85% and 15% equity interests in New Genesis Development Limited by the Company and Incredible respectively;

3. Acquisition of 85,440,300 shares of Arion Entertainment Singapore Limited ("AES"), which represents approximately 9.15% of AES's total issued share capital, with a premium above the market share price and subsequently disposal of 50,055,800 shares at a loss in the same month;

4. Placement exercises in June and November 2021 by the Company (Note 21); and

5. Acquisition of certain assets including a domain name of "Watches.com" with Watchismo LLC, for a consideration of US$11.0 million (S$15,300,000).

The Exchange directs the Joint Independent Reviewer to review and assess (i) the circumstances that led to these transactions and corporate actions; (ii) whether these transactions and corporate actions were entered into on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders; (iii) whether these transactions and corporate actions make commercial sense; and (iv) how these transactions and corporate actions, if undertaken, will support each of the Company's and Incredible's goals and plans (the "Independent Review").

Report on the Audit of the Financial Statements (Cont'd)

Basis for Disclaimer of Opinion (cont'd)

Notice of Compliance ("NOC") issued by Singapore Exchange Regulation ("SGX RegCo" or the "Exchange") (cont'd)

At the date of our report, the Independent Review remains ongoing. Accordingly, we are unable to ascertain whether the Independent Review, the outcome of which are still unknown, would have an impact on the Group's business operations. We were unable to ascertain the extent of pervasiveness and/or significance of any adjustments or completeness of disclosures that may arise resulting from the Independent Review.

Opening balance of inventories

We were appointed as auditors of the Company on 3 March 2023 and thus did not observe the counting of the physical inventories as at the beginning of the year. We were unable to satisfy ourselves by alternative means concerning inventory quantities held as at 31 December 2021. Since opening inventories enter into the determination of the financial performance and cash flows for the year, we were unable to determine whether adjustments might have been necessary in respect of the profit for the year reported in the consolidated statement of comprehensive income and the net cash flows from operating activities reported in the consolidated statement of cash flows.

Because of the significance of the uncertainties and potential misstatements arising from the matters described above, we were unable to express an opinion on the accompanying financial statements.

Other Matter

The financial statements for the financial year ended 31 December 2021 were audited by another firm of auditors who expressed an unmodified opinion on those financial statements in their report dated 14 April 2022.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s"), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

to the Members of Ntegrator Holdings Limited

Report on the Audit of the Financial Statements (Cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the Group's financial statements in accordance with Singapore Standards of Auditing and to issue an auditor's report. However, because of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Report on other legal and regulatory requirements

In our opinion, in view of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we do not express an opinion on whether the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Kenneth Ng Boon Chong.

RT LLP
Public Accountants and
Chartered Accountants

Singapore
29 July 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Financial Year Ended 31 December 2022

	Note	2022 S$'000	2021 S$'000
Revenue	5	77,888	25,695
Cost of sales		(70,559)	(20,190)
Gross profit		7,329	5,505
Other (loss)/gains – net			
- Reversal of impairment loss on financial assets		-	11
- Others	8	(171)	1,332
Expenses			
- Distribution and marketing		(39)	(24)
- Administrative		(10,547)	(9,177)
- Finance	9	(2,841)	(549)
Loss before income tax		(6,269)	(2,902)
Income tax	10	-	-
Loss for the year		(6,269)	(2,902)
Other comprehensive loss, net of tax:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- Losses		(39)	-*
Total comprehensive loss for the year		(6,308)	(2,902)
Net loss attributable to:			
Equity holders of the Company		(5,987)	(2,374)
Non-controlling interests		(282)	(528)
		(6,269)	(2,902)
Total comprehensive loss attributable to:			
Equity holders of the Company		(6,026)	(2,374)
Non-controlling interests		(282)	(528)
		(6,308)	(2,902)
Loss per share for loss attributable to equity holders of the Company (cents per share)	11		
- Basic		(0.68)	(0.20)
- Diluted		(1.12)	(0.20)

*Amount below S$1,000.

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	Note	Group 2022 S$'000	Group 2021 S$'000
ASSETS			
Current assets			
Cash and bank balances	12	5,613	4,836
Financial assets, at FVPL		177	-
Trade and other receivables	13	13,897	7,907
Contract assets	5	7,232	12,045
Inventories	14	13,713	315
		40,632	25,103
Non-current assets			
Intangible assets	25	38,425	-
Property, plant and equipment	16	672	454
Right-of-use assets	17	908	1,632
Other investments		313	-
Deferred income tax	20	778	778
		41,096	2,864
Total assets		81,728	27,967
LIABILITIES			
Current liabilities			
Trade and other payables	18	7,425	4,838
Contract liabilities	5	401	463
Borrowings	19	33,085	9,187
		40,911	14,488
Non-current liabilities			
Borrowings	19	36,350	3,593
Total liabilities		77,261	18,081
NET ASSETS		4,467	9,886
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	21	31,044	29,948
Treasury shares	21	(11)	(11)
Other reserves	22	(5,064)	-*
Accumulated losses		(21,647)	(15,660)
		4,322	14,277
Non-controlling interests	15	145	(4,391)
Total equity		4,467	9,886

*Amount below S$1,000.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	Note	Company 2022 S$'000	2021 S$'000
ASSETS			
Current assets			
Cash and bank balances	12	265	1,246
Financial assets, at FVPL		177	-
Trade and other receivables	13	4,392	8,387
		4,834	9,633
Non-current assets			
Investments in subsidiaries	15	55,533	18,266
Total assets		60,367	27,899
LIABILITIES			
Current liabilities			
Trade and other payables	18	5,952	831
Non-current liabilities			
Borrowings	19	31,215	-
Total liabilities		37,167	831
NET ASSETS		23,200	27,068
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	21	31,044	29,948
Treasury shares	21	(11)	(11)
Accumulated losses	23	(7,833)	(2,869)
Total equity		23,200	27,068

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Financial Year Ended 31 December 2022

	Note	Share capital	Treasury shares	Capital reserve	Currency translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		← Attributable to equity holders of the Company					→		
		S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Group									
2022									
At the beginning of year		29,948	(11)	-	-*	(15,660)	14,277	(4,391)	9,886
Loss for the year		-	-	-	-	(5,987)	(5,987)	(282)	(6,269)
Other comprehensive loss for the year		-	-	-	(39)	-	(39)	-	(39)
Total comprehensive loss for the year		-	-	-	(39)	(5,987)	(6,026)	(282)	(6,308)
Issuance of shares	21	1,096	-	-	-	-	1,096	-	1,096
Acquisition of non-controlling interests without a change in control		-	-	(5,025)	-	-	(5,025)	5,025	-
Acquisition of subsidiary with non-controlling interests		-	-	-	-	-	-	(207)	(207)
At the end of year		31,044	(11)	(5,025)	(39)	(21,647)	4,322	145	4,467
2021									
At the beginning of year		26,161	(11)	-	-	(13,286)	12,864	(3,863)	9,001
Loss for the year		-	-	-	-	(2,374)	(2,374)	(528)	(2,902)
Other comprehensive income for the year		-	-	-	-*	-	-	-	-
Total comprehensive loss for the year		-	-	-	-*	(2,374)	(2,374)	(528)	(2,902)
Issuance of shares	21	3,787	-	-	-	-	3,787	-	3,787
At the end of year		29,948	(11)	-	-*	(15,660)	14,277	(4,391)	9,886

*Amount below S$1,000.

The accompanying notes form an integral part of these financial statements

STATEMENT OF CHANGES IN EQUITY

For the Financial Year Ended 31 December 2022

Company	Share capital	Treasury shares	Accumulated losses	Total equity
	S$'000	S$'000	S$'000	S$'000
At 1 January 2021	26,161	(11)	(551)	25,599
Loss for the year, representing total comprehensive loss for the year	-	-	(2,318)	(2,318)
Issuance of shares	3,787	-	-	3,787
At 31 December 2021 and at 1 January 2022	29,948	(11)	(2,869)	27,068
Loss for the year, representing total comprehensive loss for the year	-	-	(4,964)	(4,964)
Issuance of shares	1,096	-	-	1,096
At 31 December 2022	31,044	(11)	(7,833)	23,200

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 December 2022

	Note	2022 S$'000	2021 S$'000
Cash flows from operating activities			
Loss for the year		(6,269)	(2,902)
Adjustments for:			
- Depreciation of property, plant and equipment	16	344	439
- Depreciation of right-of-use assets	17	875	892
- Fair value loss on financial assets at FVPL	8	465	-
- Impairment loss on long term assets	8	19	-
- Interest expense	9	2,841	549
- (Gain)/Loss on disposal of property, plant and equipment		(1)	3
- Impairment loss on inventory		327	-
- Property, plant and equipment written-off		-	1
- Waiver of lease payment		(36)	-
- Unrealised currency translation loss		19	133
		(1,416)	(885)
Change in working capital:			
- Inventories		(8,332)	(26)
- Trade and other receivables		20,414	(297)
- Trade and other payables		1,141	(790)
Net cash generated from/(used in) operating activities		11,807	(1,998)
Cash flows from investing activities			
Additions to property, plant and equipment	16	(492)	(110)
Proceeds from disposal of property, plant and equipment		4	-
Purchase of financial assets at FVPL		(1,010)	-
Proceeds from disposal of financial assets at FVPL		389	-
Cash inflow from acquisition of subsidiaries		247	-
Net cash used in investing activities		(862)	(110)
Cash flows from financing activities			
Proceeds from issuance of ordinary shares		1,096	3,787
Proceeds from a director		-	70
Bank deposits discharged		5	57
Restricted cash		-	(177)
Proceeds from borrowings		554	-
Repayment of borrowings		(7,334)	(2,785)
Repayment of lease liabilities		(842)	(885)
Interest paid		(2,841)	(549)
Net cash used in financing activities		(9,362)	(482)
Net increase/(decrease) in cash and cash equivalents		1,583	(2,590)
Cash and cash equivalents at the beginning of year		(2,163)	413
Effects of exchange rate changes on the balances of cash held in foreign currencies		-	14
Cash and cash equivalents at the end of year	12	(580)	(2,163)

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF **CASH FLOWS**

For the Financial Year Ended 31 December 2022

Reconciliation of liabilities arising from financing activities:

	Borrowings	Lease liabilities	Amount due to a shareholder of a subsidiary	Bank overdraft	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
Balance at 1 January 2022	4,640	1,524	200	6,616	12,980
Changes from financing cash flows					
Proceeds of borrowings	554	-	-	-	554
Repayment of borrowings	(7,334)	-	-	-	(7,334)
Repayment of principal portion of lease liabilities	-	(842)	-	-	(842)
Interest paid	(2,387)	(60)	(16)	(378)	(2,841)
Net decrease in cash and cash equivalents	-	-	-	(801)	(801)
Total changes from financing cash flows	(4,527)	622	184	5,437	1,716
The effect of changes in foreign exchange rates	-	4	-	-	4
Other changes					
Acquisition of subsidiaries	64,958	-	-	-	64,958
Right of use assets	-	152	-	-	152
Waiver of lease payment	-	(36)	-	-	(36)
Interest expense	2,387	60	16	378	2,841
Balance at 31 December 2022	62,818	802	200	5,815	69,635

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 December 2022

Reconciliation of liabilities arising from financing activities: (cont'd)

	Borrowings	Lease liabilities	Amount due to a shareholder of a subsidiary	Bank overdraft	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
Balance at 1 January 2021	7,279	781	200	7,643	15,903
Changes from financing cash flows					
Repayment of borrowings	(2,785)	-	-	-	(2,785)
Repayment of principal portion of lease liabilities	-	(885)	-	-	(885)
Interest paid	(146)	(53)	(16)	(334)	(549)
Net decrease in cash and cash equivalents	-	-	-	(1,027)	(1,027)
Total changes from financing cash flows	4,348	(157)	184	6,282	10,657
The effect of changes in foreign exchange rates	146	6	-	-	152
Other changes					
Right of use assets	-	1,622	-	-	1,622
Interest expense	146	53	16	334	549
Balance at 31 December 2021	4,640	1,524	200	6,616	12,980

The accompanying notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

These notes form an integral part of and should be read in conjunction with the consolidated financial statements.

1. General Information

Ntegrator Holdings Ltd. (F.K.A. Watches.com Limited) (the “Company”) is a public limited liability company incorporated and domiciled in Singapore and is listed on the Catalist of the Singapore Exchange Securities Trading Limited (”SGX-ST”).

The Company’s registered office and principal place of business is at 4 Leng Kee Road, #06-04, SIS Building, Singapore 159088.

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are disclosed in Note 15.

2. Application of Singapore Financial Reporting Standards (International) (“SFRS(I)s”)

(a) Adoption of New and Revised Standards

The accounting policies adopted are consistent with those of the previous financial year except those effective on 1 January 2022, the Group has adopted the following new and revised standards that are relevant to the Group and are mandatory for application for the current financial year:

Description
Amendments to SFRS(I) 16 *Leases Covid-19-Related Rent Concessions beyond 30 June 2021*
Amendments to SFRS(I) 3 *Business Combinations - Reference to the Conceptual Framework*
Amendments to SFRS(I) 1-16 *Property, Plant and Equipment - Proceeds before Intended Use*
Amendments to SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract*
Annual Improvements to SFRS(I)s Standards 2018-2020

The adoption of these new and revised standards above did not result in substantial changes to the Group’s accounting policies and had no material effect on the disclosures or amounts reported in these financial statements.

(b) New and Revised Standard Issued but not yet effective

At the date of authorisation of these financial statements, the Group has not adopted the following new and revised standards that have been issued and are relevant to the Group but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 1-1 *Presentation of Financial Statements: Classification of Liabilities as Current or Non-current*	1 January 2024
Amendments to SFRS(I) 1-1 Presentation *of Financial Statements* and SFRS(I) Practice Statement 2 *Disclosure of Accounting Policies*	1 January 2023
Amendments to SFRS(I) 1-8 *Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates*	1 January 2023

2. Application of Singapore Financial Reporting Standards (International) (“SFRS(I)s”) (cont’d)

(b) New and Revised Standards Issued but not yet effective (cont’d)

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 1-12 *Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	1 January 2023
Amendments to SFRS(I) 1-12: *International Tax Reform—Pillar Two Model Rules*	1 January 2023
Amendments to SFRS(I) 116 *Leases: Lease Liability in a Sale and Leaseback*	1 January 2024
Amendments to FRS 1 *Presentation of Financial Statements:* Non-current Liabilities with Covenants	1 January 2024

The directors of the Company do not expect that the adoption of these new and revised standards above will have a material impact on the financial statements in the period of initial application.

3. Significant Accounting Policies

(a) Basis of Preparation

The consolidated financial statements of the Group and the statement of financial position of the Company have been prepared in accordance with the provisions of the Singapore Companies Act 1967 (the “Act”) and SFRS(I)s. The financial statements have been prepared on the historical cost basis, except as disclosed in the accounting policies below.

Fundamental accounting concept

For the financial year ended 31 December 2022, the Group reported a total comprehensive loss of S$6,308,000 (2021: S$2,902,000) and the Group has net cash generated from operating activities of S$11,807,000 (2021: net cash used in operating activities of S$1,998,000). Notwithstanding this, in the opinion of the Board of Directors of the Company, these financial statements can be prepared on a going concern basis as the Group has adequate resources, including the availability of banking facilities, which will enable the Group to pay its debts as and when they fall due and that the Group will continue to generate adequate cash flows from its operations for the foreseeable future. The Group has also undertaken/taken certain corporate actions, amongst others, entering into new business opportunities to generate new/addition sources of revenue and/or fund-raising exercises.

(b) Group Accounting

<u>Subsidiaries</u>

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

3. Significant Accounting Policies (cont'd)

(b) Group Accounting (cont'd)

Subsidiaries (cont'd)

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previously-held equity interest in the acquiree over the fair value of the fair value of the investee's identifiable net assets acquired. Goodwill on acquisitions of subsidiaries is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment loss. Gains and losses on the disposal of subsidiaries, include the carrying amount of goodwill relating to the subsidiary sold.

The Group applies the acquisition method to account for business combinations when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether an integrated set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create output. The Group has an option to apply a 'fair value concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test can be applied on a transaction-by-transaction basis. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If the test is met, the set of activities and assets is determined not to be a business and no further assessment is needed. If the test is not met, or if the Group elects not to apply the test, a detailed assessment must be performed applying the normal requirements in SFRS(I) 3.

The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

3. Significant Accounting Policies (cont'd)

(b) Group Accounting (cont'd)

Subsidiaries (cont'd)

If the total of consideration transferred, non-controlling interest recognised and previously-held interest measured is less than the fair value of the net assets of the subsidiary acquired as in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred assets. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals of interests in subsidiaries to non-controlling interests without loss of control are also recorded in equity.

When the Group loses control of a subsidiary, it:

- derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- derecognises the carrying amount of any non-controlling interest (including any components of other comprehensive income attributable to them);
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained in the former subsidiary at its fair value;
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate; and
- recognises any resulting difference in profit or loss.

(c) Investments in Subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the statement of financial position of the Company.

On disposal of investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments are recognised in profit or loss.

(d) Revenue Recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

3. Significant accounting policies (cont'd)

(d) Revenue Recognition (cont'd)

Project sales

System integration services substantially involve the procurement, design, integration and installation of voice, video and data communication equipment and networks. Each contract comprises of single performance obligation which is satisfied at a point in time. Revenue is recognised upon successful installation and acceptance of the project by customers.

Project management

Each of Project Management contract is satisfied over a period of time as the customer simultaneously receives and consumes the benefits over the duration of the Project Management contract. Revenue is recognised upon rendering of the service to the customer over the duration of each Project Management contracts.

Contract assets unbilled receivables represent the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when invoices are billed to customer.

Contract assets work in progress represent the cost incurred to-date in relation to the Project Management contract. Contract assets work in progress will be charged out to profit or loss upon rending of the service to the customer and upon completion of the project.

Maintenance services

Maintenance service is satisfied over a period of time as the customer simultaneously receives and consumes the benefits over the duration of the maintenance contract. Revenue is recognised upon rendering of the service to the customer over the duration of maintenance contracts.

Maintenance revenue that is billed in advance of the services being rendered is deferred as contract liabilities on the statement of financial position and recognised as revenue when the services has been provided over the contractual period.

Contract assets represent the cost incurred to-date in relation to the maintenance contract. Contract assets will be charged out to profit or loss over the duration of the maintenance contract.

Retail

Revenue is recognised at a point in time when the Group satisfies a performance obligation by transferring the promised goods to the customer, which is when the customer obtains control of the goods upon delivery. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. The Group does not provide right of return or warranty to its customers and hence, there is no refund liability or provision for warranty made.

3. Significant Accounting Policies (cont'd)

(d) Revenue Recognition (cont'd)

Internet marketing

Revenue is recognised at a point in time when the Group satisfies a performance obligation by transferring the promised service to the customer, which is when the customer obtains control of the service being performed. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

A receivable is recognised when the services are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(e) Government Grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately under other income in profit or loss.

Government grants relating to assets are deducted against the carrying amount of the assets.

(f) Foreign Currencies

Functional and presentation currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates ("functional currency").

The Company's functional currency is Singapore Dollar ("S$"), which reflects the economic substance of the underlying events and circumstances of the Company. For the purposes of the consolidated financial statements, the results and financial position of each entity in the Group are expressed in S$, which is the presentation currency for the consolidated financial statements. All values are rounded to the nearest thousand ("S$'000") except when otherwise indicated.

Transaction and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of comprehensive income within "Finance expense". All other foreign exchange gains and losses impacting profit or loss are presented in the statement of comprehensive income within "Other gains/(losses) – net".

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

3. Significant Accounting Policies (cont'd)

(f) Foreign Currencies (cont'd)

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

<u>Translation of Group entities' financial statements</u>

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

(g) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(h) Employee Benefits

<u>Defined contribution plans</u>

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

3. Significant Accounting Policies (cont'd)

(h) Employee Benefits (cont'd)

Share-based compensation

The Group operates an equity-settled share-based compensation plan. Equity-settled share-based payments are measured at fair value of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Short-term compensated balances

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for unutilised annual leave as a result of services rendered by employees up to the reporting date.

Bonus plan

The Group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision when it is contractually obliged to pay or when there is a past practice that has created a constructive obligation to pay.

(i) Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Group periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

3. Significant Accounting Policies (cont'd)

(i) Income Tax (cont'd)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The Group recognises a previously unrecognised deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where the current and deferred tax arises from the initial accounting for a business combination, the tax effect is taken into account in the accounting for the business combination.

(j) Property, Plant and Equipment

Measurement

All items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The cost includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

3. Significant Accounting Policies (cont'd)

(j) Property, Plant and Equipment (cont'd)

Depreciation

Depreciation is recognised so as to write off the cost of the assets less their residual values over their useful lives, using the straight-line method.

The following useful lives are used in the calculation of depreciation:

	Useful lives
Office equipment	5 years
Computers	3 years
Telephones	5 years
Software	3 years
Motor vehicles	10 years
Demo and site equipment	5 years
Furniture	5 years
Fittings	2 years

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year and adjusted as appropriate at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated property, plant and equipment still in use are retained in the consolidated financial statements.

Subsequent expenditure

Subsequent expenditure related to property, plant and equipment that has been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

Disposal

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. Significant Accounting Policies (cont'd)

(k) Impairment of Non-financial Assets

Non-financial assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any), on an individual asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(l) Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

3. Significant Accounting Policies (cont'd)

(m) Inventories

Inventories comprise of materials and supplies to be consumed in the rendering of system integration services, project sales and watches. Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of inventories comprises of materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realisable value is the estimated selling price in rendering of system integration services and project sales, less the applicable costs of conversion to complete the services and project sales, and applicable variable selling expenses. Allowance is made for obsolete, slow moving and defective inventories.

(n) Cash and Cash Equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value and bank overdrafts. Bank overdrafts are presented as current borrowings on the statement of financial position. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

(o) Financial Assets

Classification

i. Debt instruments

Financial assets that are debt instruments are classified into categories based on the Group's business model for managing them and their contractual cash flow characteristics.

- Financial Assets measured at Amortised Cost ("AC") comprise of assets that are held within a business model whose objective is to hold those assets for collection of contractual cash flows, and those contractual cash flows represent solely payments of principal and interest.
- Financial Assets measured at Fair Value through Other Comprehensive Income ("FVOCI") comprise of assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling those assets, and those contractual cash flows represent solely payments of principal and interest.
- Financial Assets measured at Fair Value through Profit and Loss ("FVPL") comprise of assets that do not qualify for AC and FVOCI. Assets that would otherwise qualify for AC or FVOCI may also be designated as FVPL upon initial recognition, if such designation eliminates or significantly reduces a measurement or recognition inconsistency that arises from measuring assets and liabilities on an inconsistent basis.

ii. Equity instruments

Financial assets that are equity instruments comprise mainly of investments in equity securities. The Group classifies these assets as FVPL, except for those that the Group has designated as FVOCI. The FVOCI designation is irrevocable, and is not permitted for held-for-trading financial assets and financial assets that represent contingent consideration in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

3. Significant Accounting Policies (cont'd)

(o) Financial Assets (cont'd)

Measurement

i. Debt instruments

Initial measurement

Trade receivables that do not contain a significant financing component are initially recognised at their transaction price. Other financial assets are initially recognised at fair value, plus, for financial assets that are not at FVPL, transaction costs that are directly attributable to their acquisition. Transaction costs of financial assets at FVPL are expensed in profit and loss.

Subsequent measurement

AC

These financial assets are subsequently measured at amortised cost using the effective interest method unless they are part of a designated hedging relationship. Impairment losses and reversals, interest income, and foreign exchange gains and losses (except where designated as a hedging instrument) on such assets are recognised in profit and loss. Interest income is based on the effective interest method which allocates interest income over the life of the financial asset based on an effective interest rate that discounts estimated future cash receipts to its gross carrying amount.

FVOCI

These financial assets are subsequently measured at fair value. Impairment losses and reversals, interest income based on the effective interest method, and foreign exchange gains and losses (except where designated as a hedging instrument) on such assets are recognised in profit and loss. Any remaining fair value movements are recorded in other comprehensive income.

FVPL

These financial assets are subsequently measured at fair value. All fair value movements are recorded in profit and loss.

ii. Equity instruments

Subsequent to initial recognition, all equity investments are measured at fair value. Changes in the fair value of FVPL equity investments are recognised in profit and loss, while changes in the fair value of FVOCI equity investments are recognised in other comprehensive income. All dividend income is recognised in profit and loss, except for dividends from FVOCI equity investments that clearly represent a recovery of the cost of investment.

Impairment

At each reporting date, the Group assesses expected credit losses ("ECL") on the following financial instruments:

- Financial assets that are debt instruments measured at AC and FVOCI;
- Contract assets; and
- Financial guarantee contracts.

3. Significant Accounting Policies (cont'd)

(o) Financial Assets (cont'd)

Impairment (cont'd)

ECL is a probability-weighted estimate of credit losses. Credit losses are measured at the present value of all shortfalls between the cash flows due to the Group in accordance with contractual terms, and the cash flows that the Group actually expects to receive. ECL is discounted at the effective interest rate of the financial asset. The Group records allowances on financial assets based on either the:

- 12-month ECL – representing the ECL that results from default events that are possible within the 12 months after the reporting date (or the expected life of the instrument if shorter); or
- Lifetime ECL – representing the ECL that results from all possible default events over the expected life of the contract.

Simplified approach - Trade receivables and contract assets

For all trade receivables and contract assets, the Group adopts a simplified approach whereby an allowance for lifetime ECL is assessed upon initial recognition. The Group estimates lifetime ECL using a provision matrix based on historical credit loss experience, adjusted for various factors including debtor-specific factors, forward-looking information such as industry and economic forecasts, and others as appropriate.

General approach – All other financial instruments on which ECL assessment is required

For all other financial instruments on which ECL is assessed, an allowance for 12-month ECL is recorded upon initial recognition. The allowance is increased to lifetime ECL if the credit risk at each reporting date has increased significantly as compared to the credit risk at initial recognition. In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group considers all reasonable and supportable information that is relevant and available without undue cost or effort including both historical credit experience and forward-looking information.

The Group regards the following as events of default:

- events that make it unlikely for the borrower to repay in full unless the Group undertakes actions to recover the asset (e.g. by exercising rights over collaterals or other credit enhancements); or
- the financial instrument has become overdue in excess of 120 days.

Credit-impaired financial instruments

At each reporting date, the Group assesses whether a financial instrument on which ECL assessment is required has become credit-impaired. This is the case when one or more events have occurred that are considered to be detrimental to the estimated future cash flows of the instrument. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the borrower;
- a breach of contract such as a default or past due event;
- other lenders granting concessions (such as loan restructurings) to the borrower due to economic or contractual reasons, that would not have been considered in the absence of the borrower's financial difficulty;
- increasing likelihood that the borrower will enter bankruptcy or other financial re-organisation; and
- the disappearance of an active market for the borrower's securities due to financial difficulties.

For credit-impaired financial assets, interest income is determined by applying the effective interest rate to the net carrying amount of the financial asset (after deduction of the ECL allowance).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

3. Significant Accounting Policies (cont'd)

(o) Financial Assets (cont'd)

Impairment (cont'd)

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, such as when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the profit and loss.

Recognition and derecognition

Financial assets are recognised when, and only when the Group becomes a party to its contractual provisions. All regular way purchases and sales of financial assets are recognised on trade-date, which is the date on which the Group commits to purchase or sell the financial asset.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset that is a debt instrument, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit and loss. In addition, for a financial asset that is a debt instrument at FVOCI, the cumulative gain or loss previously accumulated in the fair value adjustment reserve is reclassified to profit and loss.

On derecognition of an equity investment at FVPL, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit and loss. For equity investments at FVOCI, this difference is instead recognised directly in equity as part of retained earnings. Cumulative gains and losses previously accumulated in equity are also transferred directly to retained earnings upon derecognition of FVOCI equity investments.

(p) Financial Liabilities

Financial liabilities

The Group recognises financial liabilities on its consolidated statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instruments.

Financial liabilities are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial liability. All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method. Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least twelve months after the reporting period.

3. Significant Accounting Policies (cont'd)

(p) Financial Liabilities (cont'd)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they have expired. The difference between the carrying amount of a financial liability that has been derecognised and the consideration paid and payable (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(q) Offsetting of Financial Assets and Financial Liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the statements of financial position, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the financial assets and settle the financial liabilities simultaneously.

(r) Financial Guarantees

Financial guarantees in the separate financial statements

The Company has issued corporate guarantees to a bank for bank borrowings of its subsidiary. These guarantees are financial guarantees as they require the Company to reimburse the bank if the subsidiary fails to make principal or interest payments when due in accordance with the terms of the bank borrowings. Intra-group transactions are eliminated on consolidation.

Financial guarantees are measured initially at their fair values plus transaction costs and subsequently measured at the higher of:

- the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and
- the amount of loss allowance determined in accordance with expected credit loss model under SFRS(I) 9.

(s) Leases

When the Group is the lessee

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

The Group recognises right-of-use assets and lease liabilities at the date which the underlying assets become available for use. Right-of-use assets are measured at cost, which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement dates, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

3. Significant Accounting Policies (cont'd)

(s) Leases (cont'd)

When the Group is the lessee (cont'd)

Right-of-use assets are subsequently depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the corresponding lease liabilities. The Group presents its right-of-use assets in "Right-of-use assets" and lease liabilities in "Borrowings" in the consolidated statement of financial position.

The initial measurement of lease liabilities is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments), less any lease incentives receivables;
- variable lease payments that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under residual value guarantees;
- the exercise price of a purchase option if is reasonably certain to exercise the option; and
- payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease components. The Group has elected not to separate lease and non-lease components for property leases; instead, these are accounted for as one single lease component.

Lease liabilities are measured at amortised cost, and are remeasured when:

- there is a change in future lease payments arising from changes in an index or rate;
- there is a change in the Group's assessment of whether it will exercise lease extension and termination options;
- there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or
- there is a modification to the lease term.

When lease liabilities are remeasured, corresponding adjustments are made against the right-of-use assets. If the carrying amounts of the right-of-use assets have been reduced to zero, the adjustments are recorded in profit or loss.

Variable lease payments that are based on an index or a rate are included in the measurement of the corresponding right-of-use assets and lease liabilities. Other variable lease payments are recognised in profit or loss when incurred.

3. Significant Accounting Policies (cont'd)

(s) Leases (cont'd)

Short term and low value leases

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

(t) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(u) Share Capital and Treasury Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to an employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

3. Significant Accounting Policies (cont'd)

(v) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive management whose members are responsible for allocating resources and assessing performance of the operating segments.

(w) Related Parties

A related party is defined as follows:

A related party is a person or entity that is related to the entity that is preparing its financial statements (in this Standard referred to as the "reporting entity").

a. A person or a close member of that person's family is related to a reporting entity if that person:

   i. has control or joint control over the reporting entity;
   ii. has significant influence over the reporting entity; or
   iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

b. An entity is related to a reporting entity if any of the following conditions applies:

   i. the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
   ii. one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
   iii. both entities are joint ventures of the same third party;
   iv. one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
   v. the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
   vi. the entity is controlled or jointly controlled by a person identified in (a);
   vii. a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
   viii. the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

(x) Intangible assets

Goodwill

Goodwill on acquisitions of subsidiaries and businesses represents the excess of (i) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the net identifiable assets acquired.

Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses. Goodwill is not amortised.

4 Critical accounting estimates, assumptions and judgements

In the application of the Group's accounting policies, which are described in Note 3 above, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Critical judgements in applying the accounting policies

<u>Deferred income tax assets</u>

The Group recognises tax liabilities and tax assets based on an estimation of the likely taxes due, which requires significant judgement as to the ultimate tax determination of certain items. Where the actual amount arising from these issues differs from these estimates, such differences will have an impact on income tax and deferred tax amounts in the period when such determination is made. In addition, management judgement is required in determining the amount of current and deferred tax recognised and the extent to which amounts should or can be recognised.

A deferred tax asset is recognised for tax losses and donations carried forward if it is probable that the entities within the Group will generate sufficient taxable profit in future periods to benefit from a reduction in tax payments. This involves the management making assumptions within its overall tax planning activities and periodically reassessing them in order to reflect changed circumstances as well as tax regulations.

Due to their inherent nature, assessments of deferred tax asset are judgmental and not subjected to precise determination. The information on the Group's unutilised tax losses, capital allowances and donations and the relevant deferred tax provision are disclosed in Notes 10 and 20.

If the tax authority regards the entities within the Group as not satisfying and/or meeting certain provisions of the relevant tax regulations, the unrecognised tax losses, capital allowances and donations may be forfeited.

<u>Going concern assumption</u>

For the financial year ended 31 December 2022, the Group incurred a total loss of $6,269,000 (2021: $2,902,000) and a total comprehensive loss of $6,308,000 (2021: $2,902,000), and net cash generated from operating activities of $11,807,000 (2021: net cash used in operating activities of $1,998,000). The Company incurred a total comprehensive loss of $4,964,000 (2021: $2,318,000).

The Group and the Company reported net assets of $4,467,000 (2021: $9,886,000) and $23,200,000 (2021: $27,068,000), respectively as at the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

4 Critical accounting estimates, assumptions and judgements (cont'd)

(a) Critical judgements in applying the accounting policies (cont'd)

Going concern assumption (cont'd)

Management continues to have a reasonable expectation that the Group has adequate resources to continue its operation for at least the next 12 months from the date of the authorization of the financial statements and that the going concern basis of preparation of these financial statements remains appropriate after taking into consideration the following factors:

i. In 2022, the Group announced that it had won two contracts from the same regional telecommunication giant worth approximately $43.5 million including the one-year options: (a) the first two-year contract of $26.0 million with an option by the customer to extent contract for an additional year for $13.0 million; and (b) the second two-year contract of approximately $3.0 million with an option to extend the contract for an additional of $1.5 million approximately. These two contracts generated revenue streams for the Group in 2022 and expected to generate sustainable revenue for the Group up to 2024.

ii. In 2022, the Group acquired 55% and 85% ownership interest of Golden Ultra Limited and its subsidiary ("Golden Ultra Group") and New Genesis Development Limited and its subsidiaries ("New Genesis Group"), respectively. Golden Ultra Group and New Genesis Group generated $282,000 and $326,000 net profit, respectively, from date of acquisition to 31 December 2022. Business valuation was conducted for the two subsidiaries, in which professional actuary estimated Golden Ultra Group and New Genesis Group business value amounting $63 million and $22 million, respectively. The value contributed by the newly acquired subsidiaries are expected to contribute to the Group's profitability.

iii. In June 2023, New Genesis Group had started to expand their operations in Europe. The expansion of its operations into new product, category and market is expected to contribute revenue increase for the subsidiary and the Group.

iv. Management will continue to evaluate various strategies to obtain alternative sources of finance; and

v. Management will continue to monitor the costs of the Group closely and seek to improve the operating performance and cash flows of the Group. Management has assessed that the Group will have sufficient cash flows to satisfy its working capital requirements for the next 12 months from the date of the financial statements and to enable the Group to meet its obligations as and when they fall due.

   Based on the above factors, the financial statements have been prepared on a going concern basis.

(b) Key sources of estimation uncertainty

Expected credit loss on trade and other receivables and contract assets

The Group measures the loss allowance for trade receivables and contract assets at an amount equal to lifetime expected credit losses ("ECLs"). The ECLs on trade receivables are estimated using a provision matrix which involves grouping receivables based on characteristics which have historically influenced asset recoverability, such as credit ratings, customer-industry group and customer geography, and applying a historic provision rate which is based on days past due for groupings of various customer segments that have similar loss patterns.

4 Critical Accounting Judgements and Key Sources of Estimation Uncertainty (cont'd)

(b) Key sources of estimation uncertainty (cont'd)

Expected credit loss on trade and other receivables and contract assets (cont'd)

In devising such a provision matrix, the Group uses its historical credit loss experience with forward-looking information (adjusted as necessary to reflect current conditions and forecast economic conditions) to estimate the lifetime expected credit losses on the trade receivables and contract assets. At every reporting date, the historical default rates are updated and the impact of forward-looking information is re-analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Information about the ECLs on the Group's trade receivables and contract assets are disclosed in Note 28(b). The carrying amounts of the Group's trade and other receivables and contract assets at the reporting date are disclosed in Notes 13 and 5(b), respectively.

Impairment of investment in subsidiaries

Management reviews the Company's investment in subsidiaries at each reporting date to determine whether there is any indication that the investment may be impaired. If any such indication exists, an impairment assessment will be performed accordingly. The recoverable amount of the investment is determined based on the value in use ("VIU") of the relevant cash-generating unit ("CGU") or group of CGUs. Estimating the VIU requires the Company to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

No allowance for impairment loss in respect of the Company's investment in subsidiaries is recognised at the reporting date.

The carrying amount of the Company's investment in subsidiaries at the reporting date is disclosed in Note 15.

Impairment of goodwill

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

The carrying amount of goodwill and further details of the key assumptions applied in the impairment assessment of goodwill is disclosed in Note 25 to the financial statements.

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FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

4 **Critical Accounting Judgements and Key Sources of Estimation Uncertainty** (cont'd)

(b) *Key sources of estimation uncertainty* (cont'd)

Depreciation of property, plant and equipment and right-of-use assets

The depreciation method and rates of the property, plant and equipment and right-of-use assets are based on the management's best estimate to their expected residual value, useful lives, consumption pattern, whether exercising purchase option, wear-and-tear and potential technical obsolescence to usage of the assets. Management uses all readily available information in determining all above factors. Any change in these factors may have a significant impact on the carrying amounts of right-of-use assets as stated in the statement of financial position and the profit or loss for the next reporting period. At present, the management is unable to provide information about the sensitivity and expected resolution of the uncertainty. The possible effect of the assumption and sources of estimation uncertainty is unable to be estimated reliably; it is impracticable to disclose the extent of possible effects within the next reporting period.

5. **Revenue**

(a) *Disaggregation of revenue from contracts with customers*

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines:

	Group		
	At a point in time	Over time	Total
	S$'000	S$'000	S$'000
2022			
Project sales	1,849	-	1,849
Project management	-	18,161	18,161
Maintenance services	-	2,482	2,482
Retail	52,407	-	52,407
Internet marketing	2,989	-	2,989
	57,245	20,643	77,888
2021			
Project sales	3,040	-	3,040
Project management	-	17,038	17,038
Maintenance services	-	2,489	2,489
Retail	3,128	-	3,128
	6,168	19,527	25,695

5. Revenue (cont'd)

(b) Contract balances

	Group	
	2022	**2021**
	S$'000	**S$'000**
Contract assets		
- Work in progress [1]	1,446	2,804
- Unbilled receivables [2]	5,786	9,241
	7,232	12,045
Contract liabilities		
- Amount due to customers [3]	401	463

[1] Work in progress represents the Group's costs incurred to-date in relation to future activities and have not been used in contract performance at the reporting date.

[2] Unbilled receivables represent the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when invoices are billed to customer.

[3] Amount due to customers represents the Group's collection in advance but work has yet to be completed at reporting date.

Significant changes in contract assets and contract liabilities balances during the financial year are disclosed as follows:

	Group	
	2022	**2021**
	S$'000	**S$'000**
Contract assets		
Contract assets reclassified to trade receivables	(12,045)	(12,226)
Additional work completed but not billed	7,232	12,045
Contract liabilities		
Increase due to cash received, excluding amounts recognised as revenue during the year	401	463

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

6. Expenses by Nature

	Group	
	2022	2021
	S$'000	S$'000
Audit fees paid/payable to:		
- Auditors of the Company	220	111
- Other auditors	58	5
Bank charges	124	149
Depreciation of property, plant and equipment (Note 16)	344	439
Depreciation of right-of-use assets (Note 17)	875	892
Deposit written off	459	-
Directors' fees:		
- Current year	218	94
- Over provision in prior year	-	(184)
Employee compensation (Note 7)	14,532	14,268
Entertainment	10	6
Freight charges	-	19
Marketing expenses	39	24
Other professional fees	783	385
Purchases of equipment and consumables	59,939	10,191
Rental expense (Note 17(b))	1,826	1,848
Sponsorship fees	63	275
Telephone and internet	28	142
Others	1,627	727
	81,145	29,391

As at reporting date, other expenses inclusive of a deposit written off amounted to $459,000. This deposit pertains to deposit paid for the proposed acquisition of the domain name "Watches.com" from Watchismo LLC.

7. Employee Compensation

	Group	
	2022	2021
	S$'000	S$'000
Wages and salaries	8,728	8,960
Employer's contribution to defined contribution plans including Central Provident Fund	525	538
Other short-term benefits	5,279	4,770
	14,532	14,268

8. Other (Loss)/Gains – net

	Group 2022 S$'000	Group 2021 S$'000
Currency exchange gain/(loss):		
- Realised foreign exchange gain	-	357
- Unrealised foreign exchange gain/(loss)	8	(133)
Government grants	576	597
Jobs support scheme ("JSS")	-	373
Miscellaneous claims	53	142
Fair value losses on financial assets	(465)	-
Gain/(Loss) on disposal of property, plant and equipment	1	(3)
Property, plant and equipment written-off	-	(1)
Fund dividend income	2	-
Provision for impairment on long term assets	(19)	-
Provision for impairment on inventory	(327)	-
	(171)	1,332

The JSS recognised in prior year was a temporary scheme introduced in the Singapore Budget 2021 to help enterprises retain local employees. Under the JSS, employers will receive cash grants in relation to the gross monthly wages of eligible employees.

9. Finance Expenses

	Group 2022 S$'000	Group 2021 S$'000
Interest expense		
- Bank borrowings	1,328	480
- Promissory notes	1,437	-
- Lease liabilities	60	53
- Amount due to a shareholder of a subsidiary	16	16
	2,841	549

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

10. Income Tax

	Group 2022 S$'000	Group 2021 S$'000
Current income tax:		
- Current year	-	-

A reconciliation between income tax and the product of accounting loss multiplied by the applicable corporate tax rate for the financial year is as follows:

	Group 2022 S$'000	Group 2021 S$'000
Loss before income tax	(6,269)	(2,902)
Tax calculated at applicable tax rate	(1,065)	(492)
Effects of:		
Expenses not deductible for tax purposes	242	95
Income not subject to tax	(115)	(74)
Deferred tax assets not recognised - net	938	471
	-	-

The corporate tax rate applicable to the Company and those entities of the Group incorporated in Singapore is 17% (2021: 17%). The corporate tax rate applicable to the subsidiary of the Group incorporated in Hong Kong is 16.5%.

Deferred tax assets are recognised for unutilised tax losses, capital allowances and donations carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unutilised tax losses, capital allowances and donations of approximately S$23,121,000 (2021: S$23,693,000), S$2,024,000 (2021: S$1,706,000) and S$239,000 (2021: S$416,000) respectively, at the reporting date which can be carried forward and used to offset against future taxable income subject to the agreement of the tax authority and meeting certain provisions of the relevant tax regulations. The unutilised tax losses and capital allowances have no expiry date, while the unutilised donations have an expiry date of 5 years.

There were no deferred tax assets recognised on unutilised tax losses of approximately S$24,493,000 (2021: S$19,117,000), capital allowances of approximately S$2,024,000 (2021: S$1,706,000) and donations of approximately S$239,000 (2021: S$416,000) due to the uncertainty of the future utilisation. Accordingly, the related deferred tax benefits of these unutilised tax losses, capital allowances and donations amounted to approximately S$2,923,000 (2021: S$3,250,000), S$344,000 (2021: S$290,000) and S$41,000 (2021: S$71,000) respectively, have not been recognised in the financial statements at the reporting date.

11. Loss per Share

(a) Basic loss per share

Basic loss per share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2022	**2021**
Net loss attributable to equity holders of the Company (S$'000)	(5,987)	(2,374)
Weighted average number of ordinary shares outstanding for basic loss per share ('000)	885,784	1,185,187
Basic loss per share (cents per share)	(0.68)	(0.20)

(b) Diluted loss per share

For the purpose of calculating diluted loss per share, net loss attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares.

For warrants, the weighted average number of shares on issue has been adjusted as if all dilutive warrants were exercised. The number of shares that could have been issued upon the exercise of all dilutive warrants less the number of shares that could have been issued at fair value (determined as the Company's average share price for the financial year) for the same total proceeds is added to the denominator as the number of shares issued for no consideration. No adjustment is made to the net loss.

Diluted loss per share attributable to equity holders of the Company are calculated as follows:

	Group	
	2022	**2021**
Net loss attributable to equity holders of the Company and used to determine diluted earnings per share (S$'000)	(5,987)	(2,374)
Fully diluted number of ordinary shares outstanding for diluted loss per share ('000) (Note 21)	532,602	1,464,459
Adjustments for:		
- Warrants ('000) (Note 21)	-	133,600
	532,602	1,598,059
Diluted loss per share (cents per share)	(1.12)	(0.20)*

* As loss was recorded, the dilutive potential shares from warrants are anti-dilutive and no changes is made to the diluted loss per share

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

12. Cash and Bank Balances

	Group	
	2022	2021
	S$'000	S$'000
Cash at bank and on hand	5,613	4,836

	Company	
	2022	2021
	S$'000	S$'000
Cash at bank and on hand	265	1,246

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	2022	2021
	S$'000	S$'000
Cash and bank balances of the Group (as above)	5,613	4,836
Less: Bank deposit pledged	(201)	(206)
Less: Restricted cash (Note 24)	(177)	(177)
Less: Bank overdraft (Note 19)	(5,815)	(6,616)
Cash and cash equivalents per consolidated statement of cash flows	(580)	(2,163)

Bank deposits pledged are in relation to the performance guarantee granted for project purposes.

13. Trade and Other Receivables

	Group	
	2022	2021
	S$'000	S$'000
Trade receivables:		
- Non-related parties	7,773	6,461
Bills receivables	-	156
	7,773	6,617
Less: Loss allowance	(4)	(4)
	7,769	6,613
Other receivables:		
- Non-related parties	3,083	43
- Deposits	2,248	577
	13,100	7,233
GST receivable	119	17
Prepayments	678	657
	13,897	7,907

13. Trade and Other Receivables (cont'd)

	Company	
	2022	2021
	S$'000	S$'000
Other receivables:		
- Subsidiaries	4,304	8,293
- Deposits	21	-
GST receivable	7	17
Prepayments	60	77
	4,392	8,387

Trade receivables are non-interest bearing and are generally due in 30 days term.

Amounts due from subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand in cash.

14. Inventories

	Group	
	2022	2021
	S$'000	S$'000
Finished goods, at cost and net of allowance for inventory obsolescence	13,713	315

In 2022, inventories of $50,382,000 (2021: $122,000) were recognised as an expense during the year and included in "cost of sales".

15. Investments in Subsidiaries

	Company	
	2022	2021
	S$'000	S$'000
Unquoted equity shares, at cost		
At the beginning of year	18,266	18,000
Addition investments (Note b)	37,267	266
At the end of year	55,533	18,266

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For the Financial Year Ended 31 December 2022

15. Investments in Subsidiaries (cont'd)

(a) Composition of the Group

Name	Principal activities	Country of business/ incorporation	Effective equity interest held by the Group 2022 %	2021 %
Held by the Company				
Ntegrator Pte. Ltd. (1)	To provide system integration services of voice, video and data communication networks and building construction cable/civil works for underground, road and inbuilding	Singapore	100	100
Fund Joy Limited (2)	Trading of watches	Hong Kong	100	100
NTEG Data Ecommerce Corp. (3)	Dormant	Philippines	99.9	99.9
New Genesis Development Limited (3) (4)	Investment holding company	British Virgin Islands	85	-
Golden Ultra Limited (3) (4)	Investment holding company	British Virgin Islands	55	-
Watches USA Inc (3) (4)	Dormant	United States of America	100	-
Held by Ntegrator Pte. Ltd.				
Fiber Reach Pte. Ltd. (1)	To provide building construction NEC (fiber patching, splicing, installation and maintenance)	Singapore	99.04	60
Held by Golden Ultra Limited				
CKLY Trading Limited (2) (4)	Trading of watches	Hong Kong	55	-

15. Investments in Subsidiaries (cont'd)

(a) Composition of the Group (cont'd)

Name	Principal activities	Country of business/ incorporation	Effective equity interest held by the Group 2022 %	2021 %
Held by New Genesis Development Limited				
Gadmobe Interactive Limited (2) (4)	To provide information technology services.	Hong Kong	85	-
Sasha Lab Limited (2) (4)	To provide information technology services.	Hong Kong	85	-
COD Centre Pte. Ltd. (1) (4)	To provide freight transport services and development services of software and applications.	Singapore	85	-
廣州悠綠游信息技術有限公司 (4) (5)	To provide information technology services.	People's Republic of China ("PRC")	85	-
Bass of Hala Oǜ (3) (4)	To provide information technology services.	Estonia	85	-

(1) Audited by RT LLP
(2) Audited by East Asia Sentinel Limited (Hong Kong)
(3) Not applicable for audit
(4) Acquired/Incorporated during the year
(5) Audited by Guangzhou Xusheng Registered Tax Agents Limited Company

(b) Non-controlling interests

Carrying amount of non-controlling interests

	Group 2022 S$'000	2021 S$'000
Fiber Reach Pte. Ltd.	176	(4,391)
New Genesis Development Limited	(157)	-
Golden Ultra Limited	126	-
	(145)	(4,391)

Summarised financial information of subsidiaries with material non-controlling interests

Set out below are the summarised financial information for these subsidiaries that have non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

Except for Fiber Reach Pte Ltd reduced in non-controlling interests from 40% to 0.96%, there were no transactions with non-controlling interests for the financial years ended 31 December 2022 and 2021.

NOTES TO THE FINANCIAL STATEMENTS

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15. Investments in Subsidiaries (cont'd)

(b) Non-controlling interests (cont'd)

Summarised statement of financial position

	Fiber Reach Pte. Ltd. As at 31 December	
	2022	**2021**
	S$'000	**S$'000**
Current		
Assets	965	7,495
Liabilities	(14,736)	(19,646)
Total current net liabilities	(13,771)	(12,151)
Non-current		
Assets	1,044	1,643
Liabilities	(129)	(471)
Total non-current net assets	915	1,172
Net liabilities	(12,856)	(10,979)

Summarised statement of comprehensive income

	Fiber Reach Pte. Ltd. For the financial year ended 31 December	
	2022	**2021**
	S$'000	**S$'000**
Revenue	16,339	15,566
Loss before income tax	(2,376)	(1,322)
Total comprehensive loss	(2,376)	(1,322)
Total comprehensive loss allocated to non-controlling interests	(457)	(528)

15. Investments in Subsidiaries (cont'd)

(c) *Non-controlling interests* (cont'd)

Summarised cash flows

	Fiber Reach Pte. Ltd. For the financial year ended 31 December	
	2022 S$'000	2021 S$'000
Net cash generated from operating activities	6,391	618
Net cash used in investing activities	(270)	(22)
Net cash used in financing activities	(6,535)	(1,302)
Net cash outflow	(414)	(706)

Summarised statement of financial position

	New Genesis Development Limited As at 31 December 2022 S$'000
Current	
Assets	3,180
Liabilities	(1,999)
Total current net assets	1,181
Non-current	
Assets	354
Liabilities	(2,585)
Total non-current net liabilities	(2,231)
Net liabilities	(1,050)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

15. Investments in Subsidiaries (cont'd)

(c) Non-controlling interests (cont'd)

Summarised statement of comprehensive income

	New Genesis Development Limited For the financial year ended 31 December 2022 S$'000
Revenue	2,989
Profit before income tax	326
Total comprehensive profit	326
Total comprehensive profit allocated to non-controlling interests	49

Summarised cash flows

	New Genesis Development Limited For the financial year ended 31 December 2022 S$'000
Net cash generated from operating activities	2,963
Net cash used in investing activities	(3)
Net cash used in financing activities	(1,920)
Net cash inflow	1,040

Summarised statement of financial position

	Golden Ultra Limited As at 31 December 2022 S$'000
Current	
Assets	25,816
Liabilities	(25,059)
Total current net liabilities	757
Non-current	
Assets	16
Liabilities	(497)
Total non-current net assets	(481)
Net assets	276

15. Investments in Subsidiaries (cont'd)

(c) Non-controlling interests (cont'd)

Summarised statement of comprehensive income

	Golden Ultra Limited For the financial year ended 31 December 2022 S$'000
Revenue	45,953
Profit before income tax	281
Total comprehensive profit	281
Total comprehensive profit allocated to non-controlling interests	127

Summarised cash flows

	Golden Ultra Limited For the financial year ended 31 December 2022 S$'000
Net cash generated from operating activities	2,535
Net cash used in investing activities	(2)
Net cash used in financing activities	(2,587)
Net cash outflow	(54)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

16. Property, Plant and Equipment

	Office equipment S$'000	Computers S$'000	Telephones S$'000	Software S$'000	Motor vehicles S$'000	Demo and site equipment S$'000	Furniture S$'000	Fittings S$'000	Total S$'000
Group									
2022									
Cost									
At the beginning of year	355	435	2	288	232	2,688	108	246	4,354
Acquisitions of subsidiaries	31	62	-	-	121	-	-	-	214
Currency exchange differences	-	(13)	-	-	-	-	-	-	(13)
Additions	31	85	-	100	-	276	-	-	492
Disposals	(1)	(10)	-	(2)	(26)	(28)	-	-	(67)
Write-off	-*	(6)	-*	(2)	-	(10)	-*	(1)	(19)
At the end of year	416	553	2	384	327	2,926	108	245	4,961
Accumulated depreciation									
At the beginning of year	283	380	2	268	148	2,472	102	245	3,900
Acquisitions of subsidiaries	18	36	-	-	72	-	-	-	126
Currency exchange differences	-*	-*	-*	-	1	-	-	-	1
Depreciation charge (Note 6)	46	57	-	21	45	170	4	1	344
Disposals	(1)	(10)	-	(2)	(24)	(27)	-	-	(64)
Write-off	-*	(6)	-*	(2)	-	(9)	-*	(1)	(18)
At the end of year	346	457	2	285	242	2,606	106	245	4,289
Net book value									
At the end of year	70	96	-	99	85	320	2	-	672

*Amount below S$1,000.

16. Property, Plant and Equipment (cont'd)

	Office equipment S$'000	Computers S$'000	Telephones S$'000	Software S$'000	Motor vehicles S$'000	Demo and site equipment S$'000	Furniture S$'000	Fittings S$'000	Total S$'000
Group									
2021									
Cost									
At the beginning of year	352	459	2	285	121	2,606	110	260	4,195
Additions	24	38	-	10	13	23	-	2	110
Disposal	-	-	-	-	(10)	-	-	-	(10)
Write-off	(21)	(62)	-	(7)	-	(12)	(2)	(16)	(120)
Transfer from right-of-use assets	-	-	-	-	108	71	-	-	179
At the end of year	355	435	2	288	232	2,688	108	246	4,354
Accumulated depreciation									
At the beginning of year	256	401	2	256	79	2,153	100	245	3,492
Depreciation charge (Note 6)	48	41	-	19	34	278	4	15	439
Disposal	-	-	-	-	(7)	-	-	-	(7)
Write-off	(21)	(62)	-	(7)	-	(12)	(2)	(15)	(119)
Transfer from right-of-use assets	-	-	-	-	42	53	-	-	95
At the end of year	283	380	2	268	148	2,472	102	245	3,900
Net book value									
At the end of year	72	55	-	20	84	216	6	1	454

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

17. Right-of-use Assets

	Property S$'000	Office equipment S$'000	Motor vehicles S$'000	Demo and site equipment S$'000	Total S$'000
Group					
2022					
Cost					
At the beginning of year	2,165	205	238	699	3,307
Additions	-	152	-	-	152
Write-off	-	(123)	-	-	(123)
Currency exchange differences	(3)	-*	-*	-	(3)
At the end of year	2,162	234	238	699	3,333
Accumulated depreciation					
At the beginning of year	1,161	105	60	349	1,675
Depreciation charge (Note 6)	648	49	38	140	875
Write-off	-	(125)	-	-	(125)
Currency exchange differences	-*	-*	-*	-	-
At the end of year	1,809	29	98	489	2,425
Net book value					
At the end of year	353	205	140	210	908

*Amount below S$1,000.

17. Right-of-use Assets (cont'd)

	Property S$'000	Office equipment S$'000	Motor vehicles S$'000	Demo and site equipment S$'000	Total S$'000
Group					
2021					
Cost					
At the beginning of year	1,838	192	191	672	2,893
Additions	1,329	81	155	98	1,663
Write-off	(1,002)	(68)	-	-	(1,070)
Transfer to property, plant and equipment	-	-	(108)	(71)	(179)
At the end of year	2,165	205	238	699	3,307
Accumulated depreciation					
At the beginning of year	1,451	106	85	265	1,907
Depreciation charge (Note 6)	687	51	17	137	892
Write-off	(977)	(52)	-	-	(1,029)
Transfer to property, plant and equipment	-	-	(42)	(53)	(95)
At the end of year	1,161	105	60	349	1,675
Net book value					
At the end of year	1,004	100	178	350	1,632

17. Right-of-use Assets (cont'd)

Property

The Group leases office space, dormitory and warehouse for the purpose of back-office operations, housing for workers and storage of goods and equipment respectively.

Office equipment

The Group leases office equipment for the purpose of back-office operations.

Motor vehicles

The Group leases motor vehicles for transport of workers and equipment to work site as part of daily operations.

Site equipment

The Group leases site equipment for its daily operations which include cable works for underground, cable patching and splicing.

(a) Interest expense

	Group	
	2022	**2021**
	S$'000	**S$'000**
Interest expense on lease liabilities	60	53

(b) Lease expense not capitalised in lease liabilities

	Group	
	2022	**2021**
	S$'000	**S$'000**
Lease expense – short-term leases (Note 6)	1,826	1,848

(c) Total cash outflow for all leases in 2022 was S$2,728,000 (2021: S$2,786,000).

18. Trade and Other Payables

	Group 2022 S$'000	Group 2021 S$'000
Trade payables:		
- Non-related parties	3,240	1,967
GST payable	526	302
Bills payables	-	200
Other payables:		
- Non-related parties	1,606	735
- Amount due to a director	-	70
- Amount due to a shareholder of a subsidiary	200	200
	1,806	1,005
Accruals:		
- Project costs	178	279
- Operating expenses	1,675	1,085
	7,425	4,838

	Company 2022 S$'000	Company 2021 S$'000
Other payables:		
- Non-related parties	347	250
- Subsidiary	5,117	266
Accruals for operating expenses	488	315
	5,952	831

Trade payables are non-interest bearing with credit period generally 30 to 60 days term.

As at 31 December 2021, bill payables have an average maturity of 30-90 days term.

Amount due to a director is non-trade in nature, interest-free, unsecured and repayable on demand in cash.

Amount due to a shareholder of a subsidiary is non-trade in nature, interest bearing of 8% (2021: 8%) per annum, unsecured and repayable on demand in cash.

Amount due to a subsidiary mainly relates to the share capital consideration payable for the incorporation of the subsidiary (Note 15(b)).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

19. Borrowings

	Group 2022 S$'000	Group 2021 S$'000
Current		
Bank overdraft (Note 12)	5,815	6,616
Bank borrowings		
- Term loan I	403	393
- Term loan II	751	736
- Term loan III	332	-
- Term loan IV	36	-
- Term loan V	53	-
- Term loan VI	42	-
- Trade and revolving loan	24,621	-
- Other facilities	485	565
	32,538	8,310
Lease liabilities	547	877
	33,085	9,187
Non-current		
Bank borrowings		
- Term loan I	695	1,098
- Term loan II	1,104	1,848
- Term loan III	1,913	-
- Term loan IV	180	-
- Term loan V	318	-
- Term loan VI	174	-
- Term loan VII	496	-
	4,880	2,946
Lease liabilities	255	647
Promissory note	23,596	-
Earned out incentives	7,619	-
	36,350	3,593
Total borrowings	69,435	12,780

	Company 2022 S$'000	Company 2021 S$'000
Non-current		
Promissory note	23,596	-
Earned out incentives	7,619	-
	31,215	-

19. Borrowings (cont'd)

(a) Terms of borrowings

Bank overdraft bears interest at bank's prime lending rate prevailing from time to time and repayable on demand.

Term loan I with a principal amount of S$2,000,000 is repayable over 60 fixed monthly principal instalments, commencing from September 2020. The loan bears interest of 2.5% (2021: 2.5%) per annum. The term loan is for working capital purposes.

Term Loan II with a principal of S$3,000,000 is repayable over 48 fixed monthly principal repayments commencing in twelve months after the first drawn down, on June 2021. The loan bears interest rate of 3% (2021: 3.0%) per annum. The term loan is for working capital purposes.

Term Loan III consists of 5 loans with a principal of HK$1,032,028, HK$4,000,000, HK$2,000,000, HK$2,000,000, HK$4,000,000 is repayable over 60 fixed monthly principal repayments. The loan bears interest rate of 3.38% per annum. The term loan is for working capital purposes.

Term loan IV with a principal amount of HK$1,250,000 is repayable over 48 fixed monthly principal installments, commencing from September 2021. The loan bears interest of 3.00% per annum. The term loan is for working capital purposes.

Term loan V with a principal amount of HK$2,150,512 is repayable over 60 fixed monthly principal installments, commencing from October 2022. The loan bears interest of 3.00% per annum. The term loan is for working capital purposes.

Term loan VI with a principal amount of HK$1,250,000 is repayable over 48 fixed monthly principal installments, commencing from August 2022. The loan bears interest of 3.38% per annum. The term loan is for working capital purposes.

Term loan VII consists of 2 loans with a principal of HK$1,140,000, HK$2,130,000 is repayable over 36 and 84 fixed monthly principal repayments respectively. The loan bears interest rate of 2.5% per annum. The term loan is for working capital purposes.

Other facilities include factoring facilities which bears interest of 2.1% per annum over Bank's cost of funds or 2% per annum over the applicable SWAP offer rate prevailing from time to time, whichever is higher. (2021: 2% per annum over Bank's cost of funds or 2% per annum over the applicable SWAP offer rate prevailing from time to time, whichever is higher).

Promissory note of $23,596,000 was issued during the year as consideration for current year acquisition of subsidiaries. Each promissory note shall bear interest from the date on which it is issued at a rate of 8% per annum, payable annually in arrears. The Company has the right to redeem one or more promissory notes at 100% of their principal value at any time after issue, without incurring costs or penalties. This is executed by giving the noteholder a 14 business day written notice. The day falling on the 14th business day after receipt of the redemption notice is the "Elected Redemption Date". All interest accumulated on the notes will be paid on the Elected Redemption Date.

The promissory notes are not redeemable at the option of the Noteholders. If none of the promissory notes have been redeemed within two years from their issuance date, otherwise known as the 'Maturity Date', the Company is obliged to redeem these notes. They will do so at their full principal value, 100%, without imposing any additional costs or penalties. This redemption will occur on the Maturity Date. All interest accrued on the promissory notes shall be paid on the Maturity Date.

As of April 30, 2023, the Noteholders have formally indicated their intention to retain their promissory notes and will not request redemption within the forthcoming 12-month period.

19. Borrowings (cont'd)

(a) Terms of borrowings (cont'd)

Earned out incentives were formed part of the consideration agreed between the Company and the vendors for current year acquisition of subsidiaries. The Company and the vendors have agreed that in addition to the promissory notes, the Company shall pay the vendors an earnout incentive in two tranches. The first tranche of the earnout incentive shall be paid within seven business days from the date the Group announces its unaudited consolidated financial statements for the six months ending 30 June 2022 via SGXNet. The second tranche of the earnout incentive shall be paid within seven business days from the date the Group announces its audited consolidated financial statements for the financial year ending 31 December 2022.

(b) Securities granted

Bank overdraft and bank borrowings Term loan I and Term loan II and other facilities drawn by the respective subsidiaries are guaranteed by the Company.

Bank borrowings from one of the subsidiaries is secured by private properties to serve as collateral owned by a director who is also the substantial shareholder of the Company.

(c) Breach of loan covenants

Some of the Group's term loan arrangements are subject to covenant clauses, whereby the Group is required to meet certain key financial ratios.

There is no non-adherence of covenant clauses by the Group as at 31 December 2022 and 31 December 2021.

20. Deferred Tax Assets

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the consolidated statement of financial position as follows:

	Group 2022 S$'000	Group 2021 S$'000
Deferred tax assets – unutilised tax losses	(778)	(778)

Movement in deferred tax account is as follows:

	Group 2022 S$'000	Group 2021 S$'000
At the beginning of year	(778)	(763)
Currency translation differences	-	(15)
At the end of year	(778)	(778)

21. Share Capital and Treasury Shares

	No. of ordinary shares		Amount	
	Issued share capital	Treasury shares	Share capital S$'000	Treasury shares S$'000
Group and Company				
2022				
At the beginning of year	1,464,709,714	(251,000)	29,948	(11)
Shares issued pursuant to:				
- Warrants exercised on 28 January	102,050,000	-	837	-
- Warrants exercised on 15 July	10,516,666	-	259	-
Share consolidation on 9 May	(1,044,591,003)	167,334	-	-
At the end of year	532,685,377	(83,666)	31,044	(11)
2021				
At the beginning of year	1,065,646,234	(251,000)	26,161	(11)
Shares issued pursuant to:				
- Share placement on 30 June	187,863,480	-	2,055	-
- Share placement on 12 November	172,400,000	-	1,414	-
- Warrants exercised on 23 December	38,800,000	-	318	-
At the end of year	1,464,709,714	(251,000)	29,948	(11)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

21. Share Capital and Treasury Shares (cont'd)

Fully paid ordinary shares (except for treasury shares) carry one vote per share and carry a right to dividends as and when declared by the Company.

On 30 June 2021, the Company allotted and issued 187,863,480 new ordinary shares in the capital of the Company to the Subscriber pursuant to the Placement Agreement. The share placement proceeds are to fund acquisitions and new business opportunities and for general working capital requirements.

On 12 November 2021, the Company allotted and issued 172,400,000 Subscription Shares to the Subscribers pursuant to the Placement Agreements. The share placement proceeds are for general working capital requirements.

Following the above, the Company has on 29 November 2021 issued 172,400,000 free warrants ("Warrants") to the Subscribers pursuant to the Placement Agreements. The Warrants shall grant the holder thereof the right to subscribe for one Exercised Share at an exercise price of S$0.0082 for each Exercised Share.

On 23 December 2021, the Company allotted and issued a total of 38,800,000 new ordinary shares in the capital of the Company (the "New Shares") at an exercise price of S$0.0082 for each New Share to the exercise of 38,800,000 Warrants.

On 28 January 2022, the Company allotted and issued a total of 102,050,000 new ordinary shares in the capital of the Company (the "New Shares") at an exercise price of S$0.0082 for each New Share to the exercise of 102,050,000 Warrants.

On 9 May 2022, the Company completed its share consolidation of every three (3) existing ordinary shares in the capital of the Company held by Shareholders as at the Share Consolidation Record Date into one (1) Consolidated share where fractional entitlements to be disregarded.

On 15 July 2022, the Company allotted and issued a total of 10,516,666 new ordinary shares in the capital of the Company (the "New Shares") at an exercise price of S$0.0246 for each New Share to the exercise of 10,516,666 Warrants.

(a) Treasury shares

The Company did not acquire any of its shares in the open market during the financial years ended 31 December 2022 and 2021.

(b) Warrants

On 29 November 2021, the Company issued 172,400,000 unlisted warrants (the "Warrants") to the Subscribers pursuant to the Placement Agreements. Each Warrants shall grant the holder thereof the right to subscribe for one new ordinary share of the Company at an exercise price of S$0.0082 for each share. The Warrants may be exercised during the period commencing on the date of issue of the Warrants and expiring on the date falling five calendar years after the date of issue of the Warrants.

21. Share Capital and Treasury Shares (cont'd)

The details of the outstanding Warrants are as follows:

	2022 S$'000	2021 S$'000
Group and Company		
At the beginning of year	133,600,000	-
Warrants issued during the year	-	172,400,000
Warrants exercised during the year	(112,566,666)	(38,800,000)
Share consolidation of every three (3) existing ordinary shares into one (1) consolidated share	(21,033,334)	-
At the end of year	-	133,600,000

(c) Ntegrator Employee Share Option Scheme

The Ntegrator Employee Share Option Scheme (the "Scheme") of the Company was adopted and approved by the shareholders of the Company at the Extraordinary General Meeting held on 15 December 2021. The Scheme shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years, commencing on the date on which the Scheme is adopted.

Since the commencement of the Scheme till the end of the financial year, no options have been granted to the directors and employees of the Group.

22. Other Reserves

(a) Composition:

	Group	
	2022 S$'000	2021 S$'000
Capital reserve	(5,025)	-
Currency translation reserve	(39)	-*
	(5,064)	-*

*Amount below S$1,000.

Other reserves are non-distributable.

(b) Movements:

	Group	
	2022 S$'000	2021 S$'000
At the beginning of year	-*	-
Acquisition of non-controlling interests without a change in control	(5,025)	
Net currency translation differences of financial statements of foreign subsidiary	(39)	-*
At the end of year	(5,064)	-*

*Amount below S$1,000.

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For the Financial Year Ended 31 December 2022

23. Accumulated Losses

Movements in accumulated losses of the Company are as follows:

	Company	
	2022	2021
	S$'000	S$'000
At the beginning of year	(2,869)	(551)
Net loss for the year	(4,964)	(2,318)
At the end of year	(7,833)	(2,869)

24. Contingent Liabilities

Group

Performance guarantees

As at 31 December 2022, the Group has issued performance guarantees via banks and insurance companies amounting to S$4.9 million (2021: S$3.4 million) to its subsidiaries' customers to secure project contracts.

Company

Letter of statutory demand from Asian Corporate Advisors Pte. Ltd. (the "ACA")

On 6 August 2021, the Company received a letter of statutory demand from the lawyers of ACA pursuant to Section 125(2)(a) of the Insolvency, Restructuring and Dissolution Act 2018 for alleged fees owing by the Company (the "Letter of Statutory Demand"). Subsequently the Company announced that ACA has, through its lawyers, confirmed that ACA will not commence winding up proceedings against the Company on the basis of the Letter of Statutory Demand on the condition that the Company places a sum of S$177,432, being the sum alleged to be due and owing by the Company to ACA ("Alleged Outstanding Fees"), into an escrow account (the "Escrow Account").

The Company has, on 27 August 2021, placed the Alleged Outstanding Fees in the Escrow Account (Note 12). The payment of the Alleged Outstanding Fees into the Escrow Account as disclosed above is not an admission by the Company of any liability in relation to the Letter of Statutory Demand. The Company maintains its position that it disputes, inter alia, the Alleged Outstanding Fees owing by the Company set out in the Letter of Statutory Demand. Unless an amicable settlement is reached between the parties, any payment which may be made out of the Escrow Account would be subject to the Singapore Courts' determination of the merits of ACA's claims in the event that legal proceedings are commenced by ACA against the Company.

On 4 April 2022, the Company announced that both parties did not come to any conclusion after several rounds of discussion and the Company had, on 1 April 2022, received a writ of summons ("Writ") dated 25 March 2022 from the solicitor acting for ACA, against the Company in the State Courts of Singapore. Pursuant to the Writ, ACA claims from the Company a total of S$188,244 for services allegedly rendered by ACA to the Company and the Company intends to enter an appearance in accordance with the Writ to defend the claim vigorously in consultation with its legal advisors.

24. Contingent Liabilities (cont'd)

On 5 January 2023, the Company announced that by way of a settlement agreement dated 30 December 2022 (the "Settlement Agreement") for a settlement sum of S$116,800, ACA and the Company have come to a full and final settlement of all claims and/or issues pleaded in DC 705. This Settlement Agreement was entered into without any admission of fault and/or liability by either party, and pursuant to the terms, DC 705 shall be discontinued.

The specific terms of the settlement are required to be kept confidential under the Settlement Agreement. The Company is of the view that entering into the Settlement Agreement is in the best interests of the Company, and the Company is pleased that the parties have reached a full and final settlement. The settlement is not expected to have any material impact on the net tangible assets and earnings per share of the Company for the financial year ended 31 December 2022.

Corporate guarantees

The Company has issued corporate guarantees amounting to S$33.8 million (2021: S$34.7 million) to banks for borrowings of one of its subsidiaries. These bank borrowings of the subsidiary amounted to S$9.3 million (2021: S$11.3 million) at the reporting date.

The Company has evaluated that the fair values of the corporate guarantees are not material and is of the view that the consequential liabilities derived from its guarantees to the banks with regard to the subsidiary is minimal. The subsidiary for which the guarantees were provided are in favourable equity positions, with no default in the payment of borrowings and credit facilities.

25. Intangible assets

	Group	
	2022	**2021**
	$'000	**$'000**
Goodwill	**38,425**	-

Impairment tests for goodwill

Goodwill acquired through business combinations have been allocated to the Group's cash-generating units ("CGU"), which are also the reportable operating segments for impairment testing as follows:

	Group	
	2022	**2021**
	$'000	**$'000**
Golden Ultra Limited. ("Golden Ultra") watch trading segment	19,332	-
New Genesis Development Limited ("New Genesis") business segments	19,093	-
	38,425	-

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For the Financial Year Ended 31 December 2022

25. Intangible assets (cont'd)

Golden Ultra

The Group allocated the entire goodwill from its investment in Golden Ultra to one CGU, which is the watch trading business segment managed under Golder Ultra. The key assumptions for the value in use calculations are the discount rate, terminal growth rate, projected revenue and direct costs during the forecasted period. The recoverable amount of the CGU is based on their value in use, computed by discounting the expected future cash flows of the CGU.

Management estimates the discount rate using pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the CGU. Cash flow projections are based on the approved 1-year budget and projected forecast for year 2 to year 5 using a 20% historical growth rate. The management then uses a perpetuity valuation model with terminal growth rate of 2.5% and weighted average cost of capital of 11.6% to discount the enterprise to its present value.

Impairment is recognised in the consolidated statement of profit or loss and other comprehensive income when the carrying amount of the operating segment exceeds its recoverable amount.

Sensitivity to changes in assumptions

With regards to the assessment of value in use for the Golden Ultra watch trading business segment, management believes that no reasonably possible changes in any of the key assumptions would cause the carrying amount of the operating segment to exceed their recoverable amount, and no impairment of goodwill is required for the financial year ended 31 December 2022.

New Genesis

The Group allocated the entire goodwill from its investment in New Genesis to three CGU, which are the digital advertising segment, digital content distribution segment and fashion ecommerce segment managed under New Genesis. The key assumptions for the value in use calculations are the discount rate, terminal growth rate, projected revenue and direct costs during the forecasted period. The recoverable amount of the CGU is based on their value in use, computed by discounting the expected future cash flows of the CGU.

(i) Digital advertising segment

Management estimates the discount rate using pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the CGU. Cash flow projections are based on the approved 1-year budget and projected forecast for year 2 to year 5 using a 68% historical growth rate. The management then uses a perpetuity valuation model with terminal growth rate of 2.5% and weighted average cost of capital of 16.7% to discount the enterprise to its present value.

25. Intangible assets (cont'd)

Impairment tests for goodwill (cont'd)

New Genesis (cont'd)

(ii) Digital content distribution segment

Management estimates the discount rate using pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the CGU. Cash flow projections are based on the approved 1-year budget and projected forecast for year 2 to year 5 using a 31% historical growth rate. The management then uses a perpetuity valuation model with terminal growth rate of 2.5% and weighted average cost of capital of 12.6% to discount the enterprise to its present value.

(iii) Fashion ecommerce segment

Management estimates the discount rate using pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the CGU. Cash flow projections are based on the approved 1-year budget and projected forecast for year 2 to year 5 using a 516% historical growth rate. The management then uses a perpetuity valuation model with terminal growth rate of 2.5% and weighted average cost of capital of 40% to discount the enterprise to its present value.

Impairment is recognised in the consolidated statement of profit or loss and other comprehensive income when the carrying amount of the operating segment exceeds its recoverable amount.

Sensitivity to changes in assumptions

With regards to the assessment of value in use for the New Genesis digital advertising segment, digital content distribution segment and fashion ecommerce segment, management believes that no reasonably possible changes in any of the key assumptions would cause the carrying amount of the operating segment to exceed their recoverable amount, and no impairment of goodwill is required for the financial year ended 31 December 2022.

26. Related Party Transactions

No related party transactions took place between the Group and related parties during the financial year other than those disclosed elsewhere in the financial statements.

Key management personnel compensation

Key management personnel compensation representing directors and other key management personnel of the Group are as follows:

	Group	
	2022	**2021**
	$'000	**$'000**
Salaries and bonuses	1,764	1,875
Employer's contribution to defined contribution plan, including Central Provident Fund	38	62
Directors' fees	218	94
	2,020	2,031
Comprised amounts paid to:		
Directors of the Company	1,215	1,360
Other key management personnel	805	671
	2,020	2,031

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For the Financial Year Ended 31 December 2022

27. Segment Information

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Board of Directors comprises executive and non-executive directors.

The Group is organised into four operating segments:

(i) Corporate;
(ii) Project sales, project management and maintenance services;
(iii) Retail; and
(iv) Internet marketing.

Corporate segment consists of investment holding company and dormant company which do not meet any of the quantitative threshold for determining a reportable segment.

Project sales segment engages in integration of network infrastructure that enable the customers to communicate electronically within an organisation or with another organisation whether located in the same country or globally. It also provides the customers with seamless integration of a wide variety of voice and data signals used in large institutional telecom applications. Project management and maintenance services segment provides installation and implementation services of the network infrastructure or voice communication systems that have been purchased by the customers from the Group's principals, and maintenance and support services mainly for the network infrastructure and voice communication systems.

Retail segment involves in sale of watches.

Internet marketing segment consists of services on digital advertising, digital content distribution and fashion e-commerce. It provides online advertising services to brand owners and advertising agencies. Its online advertising and content distribution services include social viral, engager and mass blogging services. Fashion e-commerce segment involves providing fulfilment solutions to merchants in Southeast Asia and worldwide.

Allocation basis and transfer pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Transfer prices between business segments are set on an agreed terms basis in a manner similar to transactions with third parties. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

27. Segment Information (cont'd)

The segment information provided to the Board of Directors for the reportable segments are as follows:

	Corporate		Project sales, project management and maintenance services		Retail		Internet marketing		Consolidated	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Segment revenue										
Revenue to external parties	-	-	22,492	22,567	52,407	3,128	2,989	-	77,888	25,695
Segment results	-	-	4,183	5,433	2,186	72	960	-	7,329	5,505
Other (loss)/gains – net										
- Reversal of impairment loss on financial assets	-	-	-	11	-	-	-	-	-	11
- Others	(426)	6	546	1,326	(273)	-	(18)	-	(171)	1,332
- Distribution and marketing	(37)	(24)	(1)	-	(1)	-	-	-	(39)	(24)
- Administrative	(3,339)	(2,419)	(5,639)	(6,467)	(1,002)	(291)	(567)	-	(10,547)	(9,177)
- Finance	(1,437)	-	(552)	(549)	(803)	-	(49)	-	(2,841)	(549)
Loss before income tax	(5,239)	(2,437)	(1,463)	(246)	107	(219)	326	-	(6,269)	(2,902)
Income tax	-	-	-	-	-	-	-	-	-	-
Net loss for the year	(5,239)	(2,437)	(1,463)	(246)	107	(219)	326	-	(6,269)	(2,902)
Assets and liabilities										
Segment assets	38,954	1,340	16,903	23,413	22,096	3,214	3,775	-	81,728	27,967
Segment liabilities	(32,050)	(564)	(15,039)	(16,968)	(25,588)	(549)	(4,584)	-	(77,261)	(18,081)

27. Segment Information (cont'd)

The segment information provided to the Board of Directors for the reportable segments are as follows: (cont'd)

	Corporate		Project sales, project management and maintenance services		Retail		Internet marketing		Consolidated	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Other segment information										
Expenditure for property, plant and equipment	-	-	(476)	(110)	(1)	-	(15)	-	(492)	(110)
Other non-cash items:										
Depreciation of property, plant and equipment and investment property	-	-	(312)	(439)	(10)	-	(22)	-	(344)	(439)
Loss on disposal of property, plant and equipment	-	-	(3)	(3)	-	-	-	-	(3)	(3)
Property, plant and equipment written off	-	-	(1)	(1)	-	-	-	-	(1)	(1)

* Segment information for the previous financial year has been represented to conform with the current financial year's presentation due to the change of Board of Directors during the year.

27. Segment information (cont'd)

Geographical information

	Singapore		Hong Kong		Myanmar		Vietnam		Consolidated	
	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000	2022 S$'000	2021 S$'000
Segment revenue										
Sales to external parties	22,313	22,335	55,396	3,128	-	232	179	-	77,888	25,695

Other geographical information:

	Singapore		Hong Kong		Consolidated	
	2022 $'000	2021 $'000	2022 $'000	2021 $'000	2022 $'000	2021 $'000
Non-current assets	40,726	2,864	370	-	41,096	2,864

Revenue of approximately S$13,240,000 (2021: S$16,851,000) is derived from a single external customer. This revenue is attributable to the project sales, project management and maintenance services segments.

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For the Financial Year Ended 31 December 2022

28. Financial Instruments

Financial risk management objectives

The Group's activities expose it to market risk (including currency risk and interest rate risk), credit risk, liquidity risk and capital risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance. It is, and has been throughout the financial year, the Group's policy that no trading in derivative financial instruments shall be undertaken.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. This includes establishing detailed policies such as authority levels, oversight responsibilities, risk identification and measurement and exposure limits.

Financial risk management is carried out by the finance department in accordance with the policies set. The finance personnel identifies and evaluates financial risks in close co-operation with the Group's operating units. The finance personnel measures actual exposures against the limits set and prepares periodic reports for review by the Financial Controller. Regular reports are also submitted to the Board of Directors.

(a) Market risk

(i) Currency risk

The Group operates in Asia with dominant operations in Singapore, Myanmar and Hong Kong. Entities in the Group regularly transact in currencies other than their respective functional currencies ("foreign currencies").

Currency risk arises within entities in the Group when transactions are denominated in foreign currency which is primarily the United States Dollar ("USD") and Hong Kong Dollar ("HKD").

In addition, the Group is exposed to currency translation risk on the net assets in foreign operations. Currency exposure to the net assets of the Group's foreign operations has been monitored throughout the year and the impact to the Group's financial statements are not significant.

28. Financial Instruments (cont'd)

Financial risk management objectives (cont'd)

(a) *Market risk* (cont'd)

(i) Currency risk (cont'd)

The Group's currency exposures to SGD, USD and HKD at the reporting date are as follows:

	SGD S$'000	**USD S$'000**	**HKD S$'000**	**Other S$'000**	**Total S$'000**
Group					
2022					
Financial assets					
Cash and bank balances	2,757	714	1,386	756	5,613
Trade and other receivables*	3,486	1,665	5,538	2,411	13,100
	6,243	2,379	6,924	3,167	18,713
Financial liabilities					
Trade and other payables*	4,746	895	459	799	6,899
Borrowings	41,269	-	28,166	-	69,435
	46,015	895	28,625	799	76,334
Net financial (liabilities)/assets	(39,772)	1,484	(21,701)	2,368	(57,621)
Add: Net financial assets denominated in the respective entities' functional currencies	39,772	-	21,701	-	61,473
Currency exposure of financial assets net of those denominated in the respective entities' functional currencies	-	1,484	-	2,368	3,852

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

28. Financial Instruments (cont'd)

Financial risk management objectives (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

	SGD S$'000	USD S$'000	HKD S$'000	Other S$'000	Total S$'000
Group					
2021					
Financial assets					
Cash and bank balances	4,556	270	8	2	4,836
Trade and other receivables*	2,993	851	3,123	266	7,233
	7,549	1,121	3,131	268	12,069
Financial liabilities					
Trade and other payables*	3,601	382	549	4	4,536
Borrowings	12,780	-	-	-	12,780
	16,381	382	549	4	17,316
Net financial assets	(8,832)	739	2,582	264	(5,247)
Add/(Less): Net financial assets/(liabilities) denominated in the respective entities' functional currencies	8,832	-	(2,582)	-	6,250
Currency exposure of financial assets net of those denominated in the respective entities' functional currencies	-	739	-	264	1,003

* Financial assets exclude prepayments and GST receivable; Financial liabilities exclude GST payable.

If the foreign currencies change against the SGD decrease/increase by 1% (2021: 1%) with all other variables including income tax rate being held constant, the effects arising from the net financial assets/liabilities position on the Group's loss after tax are not significant.

The Company is not exposed to currency risk since all its financial assets and liabilities at the reporting date are denominated in Singapore Dollar.

28. Financial Instruments (cont'd)

Financial risk management objectives (cont'd)

(a) Market risk (cont'd)

(ii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest-bearing assets, the Group's income is substantially independent of changes in market interest rates. The Group's interest rate risk mainly arises from bank overdraft and bank borrowings at floating interest rates. The Group manages its interest rate risks by keeping bank borrowings to the minimum required to sustain the operations of the Group.

The Group's borrowings at variable rates on which effective hedges have not been entered into are denominated mainly in SGD. If the SGD interest rates had increased/decreased by 0.5% (2021: 0.5%) with all other variables including income tax rate being held constant, the loss after tax would have been higher/lower by S$86,000 (2021: S$27,000) respectively as a result of higher/lower interest expense on these borrowings.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and of the Company are cash and cash equivalents and trade and other receivables. The Group's and the Company's exposure to credit risk arises primary from trade and other receivables. For trade receivables, the Group adopts the policy of dealing with customers of appropriate credit standing and history, and obtaining sufficient collateral or buying credit insurance where appropriate to mitigate credit risk. For other financial assets, the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. Cash and bank balances are subject to immaterial credit loss as cash are mainly placed at banks with high credit-rating.

It is also the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. Customers with high credit risks are required either to pay on cash term, make advance payments or issue letter of credits. The Group trades only with recognised, creditworthy and secured third parties, there is no requirement for collateral. In addition, receivable balances are monitored on an on-going basis with the result that the Group's exposure to bad debts is not significant.

28. Financial Instruments (cont'd)

Financial risk management objectives (cont'd)

(b) Credit risk (cont'd)

As the Group and the Company does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position, except as follows:

	Company	
	2022	**2021**
	S$'000	**S$'000**
Corporate guarantees provided to banks on subsidiaries' loans (Note 24)	9,253	11,256

The trade receivables, bills receivables and contract assets of the Group comprise of 3 debtors (2021: 3 debtors) that individually represented 5% - 42% (2021: 2% - 13%) of trade receivables, bills receivables and contract assets at the reporting date.

The credit risk for trade receivables, bills receivables and contract assets based on the information provided to key management is as follows:

	Group	
	2022	**2021**
	S$'000	**S$'000**
By geographical areas		
Singapore	10,257	14,939
Hong Kong	4,326	2,858
Vietnam	418	595
Denmark	-	266
	15,001	18,658
By types of customers		
Non-related parties		
- Government agencies	264	96
- Other companies	14,737	18,562
	15,001	18,658

28. Financial Instruments (cont'd)

Financial risk management objectives (cont'd)

(b) Credit risk (cont'd)

Expected credit loss for financial assets

The Group uses a provision matrix to measure the lifetime expected credit loss ("ECL") allowance for trade receivables, bills receivables and contract assets as these items do not have significant financing components.

Trade receivables, bills receivables and contract assets are grouped based on shared credit risk characteristics and days past due to measure the lifetime ECL by reference to the Group's historical observed default rates, customer's ability to pay and adjusted with forward looking information.

Trade receivables, bills receivables and contract assets are written-off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where trade receivables, bills receivables and contract assets have been written-off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

28. Financial risk management (cont'd)

Financial risk management objectives (cont'd)

(b) *Credit risk* (cont'd)

The Group's credit risk exposure in relation to trade receivables, bills receivables and contract assets at the reporting date are set out follows.

	Current S$'000	Within 30 days S$'000	31 to 60 days S$'000	61 to 90 days S$'000	91 to 120 days S$'000	More than 120 days S$'000	Total S$'000
Group							
2022							
Trade receivables	2,483	4,113	290	87	800	-	7,773
Contract assets	7,232	-	-	-	-	-	7,232
Gross amount	9,715	4,113	290	87	800	-	15,005
Loss allowance	-	-	-	-	-	(4)	(4)
Net amount	9,715	4,113	290	87	800	(4)	15,001
2021							
Trade receivables	2,021	777	1,037	44	1,931	651	6,461
Bills receivables	156	-	-	-	-	-	156
Contract assets	12,045	-	-	-	-	-	12,045
Gross amount	14,222	777	1,037	44	1,931	651	18,662
Loss allowance	-	-	-	-	-	(4)	(4)
Net amount	14,222	777	1,037	44	1,931	647	18,658

28. Financial risk management (cont'd)

Financial risk management objectives (cont'd)

(b) Credit risk (cont'd)

The movements in expected credit loss allowance during the financial year are as follows:

	Group	
	2022	**2021**
	S$'000	**S$'000**
At the beginning of year	4	14
Reversal of expected credit loss on financial assets	-	(10)
At the end of year	4	4

No other loss allowances are recognised as the management believes that the amounts that are past due are collectible, based on historical payment behaviour and credit-worthiness of the customers.

Other financial assets, at amortised cost

The Group's and the Company's other financial assets recognised at amortised cost mainly comprised of deposits, other receivable from non-related parties, and other receivables from subsidiaries. These other financial assets are subject to immaterial credit loss.

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to these receivables in estimating the probability of default of each of these other financial assets.

For the purpose of impairment assessment, loss allowance is generally measured at an amount equal to 12-month ECL as there is low risk of default and strong capability to meet contractual cash flows. When the credit quality deteriorates and the resulting credit risk of other financial assets increase significantly since its initial recognition, the 12-month ECL would be replaced by lifetime ECL.

Other financial assets are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of other receivables to engage in a repayment plan with the Group, and a failure to make contractual payments.

At the reporting date, no loss allowance is recognised as the management believes that the amounts that are collectible, based on historical payment behaviour and credit-worthiness of the other receivables. There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for other receivables.

The Company has issued financial guarantees to banks for borrowings of its subsidiaries. These guarantees are subject to the impairment requirements of SFRS(I) 9. The Company has assessed that its subsidiaries have strong financial capacity to meet their contractual cash flow obligations in the near future and hence does not expect any significant credit losses arising from these guarantees.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

28. Financial risk management (cont'd)

Financial risk management objectives (cont'd)

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and cash equivalents and the availability of funding through an adequate amount of committed credit facilities. At the reporting date, assets held by the Group and the Company for managing liquidity risk included cash and cash equivalents as disclosed in Note 12.

Management monitors rolling forecasts of the liquidity reserve, comprises of undrawn borrowing facility and cash and cash equivalents (Note 12) of the Group and the Company on the basis of expected cash flow. This is generally carried out at local level in the operating companies of the Group in accordance with the practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these obligations, monitoring liquidity ratios and maintaining debt financing plans.

As at reporting date, the Group has at its disposal unused trade financing, credit card and bank overdraft facilities amounting to approximately S$7,436,000 (2021: S$4,675,000) to draw down, if required.

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year S$'000	Between 1 and 2 years S$'000	Between 2 and 5 years S$'000
Group			
2022			
Trade and other payables	6,899	-	-
Borrowings	33,251	1,429	35,106
2021			
Trade and other payables	4,536	-	-
Borrowings	9,332	1,742	1,969
Company			
2022			
Trade and other payables	5,952	-	-
Financial guarantee contracts	7,454	1,188	611
2021			
Trade and other payables	565	-	-
Financial guarantee contracts	11,256	-	-

28. Financial risk management (cont'd)

Financial risk management objectives (cont'd)

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on a debt-equity ratio. The debt-equity ratio is calculated as total liabilities divided by total net equity.

	Group	
	2022	**2021**
	$'000	**$'000**
Total liabilities	77,261	18,081
Total equity	4,467	9,886
Debt-equity ratio	17.3 times	1.83 times

The Group is in compliance with all externally imposed capital requirements for the financial years ended 31 December 2022 and 2021.

The Company is not subject to any significant externally imposed capital requirements.

Fair value measurements

The carrying amounts of the Group's promissory notes, earned out incentives, long-term term loans and lease liabilities approximate their carrying amounts based on discounted cash flow analysis at market incremental lending rates for similar types of lending or leasing arrangements at the end of the reporting period.

The carrying amounts of the Group's and the Company's current financial assets and current financial liabilities approximate their fair values due to their short-term maturity.

(e) Financial instruments by category

	Group		**Company**	
	2022	**2021**	**2022**	**2021**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Financial assets at amortised cost	18,713	12,069	4,590	9,539
Financial assets, at fair value through profit of loss	177	-	177	-
Financial liabilities at amortised cost	(76,334)	(17,316)	(37,167)	(831)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

29. Business Combinations

During the current financial year, the Group acquired 55% equity interest of Golden Ultra Limited and its subsidiary ("Golden Ultra Group") and 85% equity interest of New Genesis Development Limited and its subsidiaries ("New Genesis Group"). Golden Ultra is an investment holding company and its subsidiary is a trading company which trades luxuries goods. New Genesis is an investment holding company and its subsidiaries provides internet marketing services. The acquisitions were made as part of the diversification plan implemented by the Group. This diversification plan includes investments in new areas of business in order to gain expertise and knowledge on luxury goods sector and e-commerce operations.

(i) Golden Ultra Limited and its subsidiary

Included in the identifiable assets and liabilities acquired at the date of acquisition of Golden Ultra Group are inputs (a shop unit, inventories and customer relationships) and an organised workforce. The Group has determined that together the acquired inputs and processes significantly contribute the ability to create revenue. The Group has concluded that the acquired set is a business.

For the eight months ended 31 December 2022, Golden Ultra Group contributed revenue of $45,953,000 and profit of $281,000 to the Group's results. If the acquisition had occurred on 1 January 2022, management estimates that consolidated revenue would have been $104,657,000 and consolidated loss for the year would have been $6,120,000. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2022.

Details of the consideration paid, the assets acquired and liabilities assumed, the non-controlling interest recognised and the effects on the cash flows of the Group, at the acquisition date, are as follows:

	2022 S$'000
(a) Purchase consideration and consideration transferred for the business	
Promissory Notes	14,448
Earned out incentives	4,884
	19,332
(b) Effect of cash flows of the Group	
Cash paid	-
Less: Cash and cash equivalents in subsidiary acquired	(157)
Cash inflow on acquisition	(157)
(c) Identifiable assets acquired and liabilities assumed	
Property, plant and equipment	25
Inventories	5,393
Trade and other receivables	19,837
Cash and cash equivalents	157
Total assets	25,412
Trade and other payable	(281)
Loans and borrowings	(25,131)
Total liabilities	(25,412)
Total identifiable net assets	-*
Add: Goodwill	19,332
Less: Non-controlling interest measured at the non-controlling interest's proportionate share of Golden Ultra's net identifiable assets	-*
Consideration transferred for the business	19,332

*Amount below S$1,000.

29. Business Combinations (cont'd)

(i) Golden Ultra Limited and its subsidiary (cont'd)

(d) Non-controlling interests

The non-controlling interest (45% ownership interest in Golden Ultra) of S$ 1,000 recognised at the acquisition date was measured at the non-controlling interest's proportionate share of Golden Ultra's net identifiable assets.

(e) Goodwill

The goodwill of S$19,332,000 arising from the acquisition of Golden Ultra and CKLY is attributable to the distribution network in Hong Kong and the synergies expected to arise from the economies of scale in combining the management and operation of the Company with those of Golden Ultra and CKLY and gaining of business expertise and knowledge on luxury goods sector as part of diversification plan of the Group. It is not deductible for tax purposes.

(ii) New Genesis Development Limited and its subsidiaries

Included in the identifiable assets and liabilities acquired at the date of acquisition of New Genesis Group are inputs (a head office, e-commerce network and customer relationships) and an organised workforce. The Group has determined that together the acquired inputs and processes significantly contribute the ability to create revenue. The Group has concluded that the acquired set is a business.

For the seven months ended 31 December 2022, New Genesis Group contributed revenue of $2,989,000 and profit of $326,000 to the Group's results. If the acquisition had occurred on 1 January 2022, management estimates that consolidated revenue would have been $78,937,000 and consolidated loss for the year would have been $6,266,000. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2022.

Details of the consideration paid, the assets acquired and liabilities assumed, the non-controlling interest recognised and the effects on the cash flows of the Group, at the acquisition date, are as follows:

	2022 S$'000
(a) Purchase consideration and consideration transferred for the business	
Promissory Notes	15,200
Earned out incentives	2,735
	17,935
(b) Effect of cash flows of the Group	
Cash paid	-
Less: Cash and cash equivalents in subsidiary acquired	(90)
Cash inflow on acquisition	(90)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 December 2022

29. Business Combinations (cont'd)

(ii) New Genesis Development Limited and its subsidiaries (cont'd)

	2022 S$'000
(c) Identifiable assets acquired and liabilities assumed	
Property, plant and equipment	62
Other investments	354
Trade and other receivables	1,860
Cash and cash equivalents	90
Total assets	2,366
Trade and other payable	(1,169)
Loans and borrowings	(2,562)
Total liabilities	(3,731)
Total identifiable net liabilities	(1,365)
Add: Goodwill	19,093
Add: Non-controlling interest measured at the non-controlling interest's proportionate share of New Genesis's net identifiable liabilities	207
Consideration transferred for the business	17,935

(d) Non-controlling interests

The non-controlling interest (15% ownership interest in New Genesis) of S$ 207,000 recognised at the acquisition date was measured at the non-controlling interest's proportionate share of New Genesis's net identifiable assets.

(e) Goodwill

The goodwill of S$19,093,000 arising from the acquisition of New Genesis is attributable to the distribution network in Hong Kong and the synergies expected to arise from the economies of scale in combining the management and operation of the Company with those of New Genesis and its subsidiaries and gaining of business expertise and knowledge on e-commerce as part of diversification plan of the Group. It is not deductible for tax purposes.

30. Events Occurring After Reporting Date

Change in Issuer Name

Following the EGM held on 3 March 2023 where the special resolution approved by shareholders of the Company for Change of Name had been lodged with the Accounting and Corporate Regulatory Authority ("ACRA") on 9 March 2023 and ACRA had issued the Notice of Change of Name to confirm that the Company is now known as "Ntegrator Holdings Limited" with effect from 9 March 2023.

The Company had arranged with the Singapore Exchange Securities Trading Limited (the "SGX-ST") to change its trading counter name on the Catalist. The new trading counter name would be "Ntegrator Hldg" and the change of trading counter name had taken effect on 14 March 2023.

Completion of Investigation on a Subsidiary

On 11 May 2023, the Company announced that CKLY legal advisors had received a confirmation from Hong Kong Customs and Excise Department ("C&E") that after due consideration of the evidence at hand, C&E had decided not to proceed with the prosecution of CKLY, Mr Heilesen and the sales staff. C&E had further confirmed that the investigation was concluded and the case ended.

31. Authorisation of Financial Statements

The financial statements for the financial year ended 31 December 2022 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 29 July 2023.

DISTRIBUTION OF SHAREHOLDINGS

As at 19 July 2023

Class of shares	Ordinary shares
Issue and fully paid-up capital (including Treasury Shares)	31,044,370
Issue and fully paid-up capital (excluding Treasury Shares)	31,033,075
Number of Shares issued (excluding Treasury Shares)	532,685,377
Number (Percentage) of Treasury Shares	83,666 (0.016%)
Voting rights (excluding Treasury Shares)	One vote per share
Subsidiary Holdings	NIL

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No of shareholders	% of shareholders	No of shares	% of Shares
1 - 99	88	4.12	4,039	0.01
100 - 1,000	153	7.17	69,229	0.01
1,001 - 10,000	313	14.67	1,692,692	0.32
10,001 - 1,000,000	1,512	70.85	191,767,576	35.99
1,000,001 and above	69	3.23	339,235,507	63.67
GRAND TOTAL	**2,134**	**100.00**	**532,769,043**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NAME	NO. OF SHARES	%
MAYBANK SECURITIES PTE. LTD.	69,244,288	13.00
MISSION WELL LIMITED	40,047,633	7.52
MICHAEL KOH KOW TEE	19,089,674	3.58
HSBC (SINGAPORE) NOMINEES PTE LTD	17,643,866	3.31
UNITED OVERSEAS BANK NOMINEES P L	10,878,044	2.04
HO BENG SIANG	10,858,800	2.04
INDUSTRIAL ELECTRONICS PTE LTD	10,516,666	1.97
DBS NOMINEES PTE LTD	9,787,180	1.84
PHILLIP SECURITIES PTE LTD	8,675,348	1.63
OCBC NOMINEES SINGAPORE PTE LTD	6,942,105	1.30
OCBC SECURITIES PRIVATE LTD	6,895,286	1.29
LEE KEEN WHYE	6,303,833	1.18
TANG SOI LIK OR TANG EI FUN (CHEN YIFEN)	5,500,000	1.03
GOH SIOK KUAN	5,497,000	1.03
CHANG JOO WHUT	5,482,746	1.03
KELVIN TAN CHENG SIONG (CHEN QINGXIANG)	4,500,033	0.84
YOW HOCK GUAN	4,166,733	0.78
LOH TIT WAI	3,976,600	0.75
TAN HWEE KHENG	3,963,100	0.74
LOW HENG SIONG	3,954,666	0.74
TOTAL	**253,923,601**	**47.64**

DISTRIBUTION OF SHAREHOLDINGS

As at 19 July 2023

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

74.76% of the Company's shares are held in the hands of the public. Accordingly, the Company has complied with Catalist Rule 723 of the Listing Manual of the SGX-ST.

SUBSTANTIAL SHAREHOLDERS

	Direct Interest		Deemed Interest	
Substantial Shareholders (other than Directors)	**Number of shares**	**%**	**Number of shares**	**%**
Mission Well Limited [1]	40,047,633	7.52%	17,057,200	3.20%
Zheng Ze Li	–	–	68,033,333	12.77%

Note

(1) Mr Christian Kwok-Leun Yau Heilesen is deemed to have an interest in 57,104,833 Shares held by Mission Well Limited.

USE OF PROCEEDS
– ISSUANCE OF PLACEMENT SHARES

As at 31 December 2022, approximately S$1.1 million of proceeds were raised from the issuance of shares from the exercise of warrants completed on 28 January 2022 and 12 July 2022.

Exercise of Warrants Date	Intended use of Net Proceeds	Amount allocated S$	Amount utilised S$	Balance S$
28 January 2022	To fund acquisitions	836,810.00	836,810.00	–
12 July 2022	To fund acquisitions	258,709.98	258,709.98	–
Total		1,095,519.98	1,095,519.98	–

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Ntegrator Holdings Limited (the "**Company**") will be convened and held, in a wholly physical format, at 4 Leng Kee Road, #06-04, SIS Building, Singapore 159088 on 15 August 2023 (Tuesday) at 11.00 a.m. (Singapore Time), for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2022 together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect the following Directors retiring pursuant to Regulation 122 of the Company's Constitution:

   Mr Leung Kwok Kuen Jacob **(Resolution 2)**

   Mr Leung Kwok Kuen Jacob will, upon re-election as a Director, remain as an Independent Non-Executive Director, the Chairman of the Remuneration Committee and Nominating Committee, and a member of the Audit Committee of the Company.

   Mr Leung Yu Tung Stanley **(Resolution 3)**

   Mr Leung Yu Tung Stanley will, upon re-election as a Director, remain as an Independent Non-Executive Director, and a member of the Audit Committee, Remuneration Committee and Nominating Committee of the Company.

   Ms Zhou Jia Lin **(Resolution 4)**

   Ms Zhou Jia Lin will, upon re-election as a Director, remain as an Independent Non-Executive Director, and a member of the Audit Committee, Remuneration Committee and Nominating Committee of the Company.

3. To approve the payment of Directors' fees of S$228,001 for the financial year ended 31 December 2022 (FY2021: S$93,667). **(Resolution 5)**

4. To re-appoint RT LLP as the Company's Auditors and to authorise the Directors to fix their remuneration. **(Resolution 6)**

5. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

6. **Authority to allot and issue new Shares in the capital of the Company and/or instruments**

   "That pursuant to Section 161 of the Companies Act 1967 of Singapore (the "**Act**") and Rule 806 of the Catalist Rules, authority be and is hereby given to the Directors of the Company to:

   (a) (i) allot and issue new shares in the capital of the Company ("**Shares**") (whether by way of rights, bonus or otherwise); and/or

NOTICE OF ANNUAL GENERAL MEETING

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require new Shares to be allotted and issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(b) notwithstanding the authority conferred by this Resolution may have ceased to be in force, allot and issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force, provided that:

(1) the aggregate number of new Shares (including shares to be allotted and issued in pursuance of the Instruments made or granted pursuant to this Resolution) to be allotted and issued pursuant to this Resolution shall not exceed one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of new Shares to be allotted and issued other than on a *pro rata* basis to Shareholders of the Company (including Shares to be allotted and issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company (as calculated in accordance with subparagraph (2) below);

(2) (subject to such manner of calculations as may be prescribed by the SGX-ST), for the purpose of determining the aggregate number of Shares that may be allotted and issued under sub-paragraph (1) above, the percentage of the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company at the time this Resolution is passed after adjusting for:-

(a) new Shares arising from the conversion or exercise of the Instruments or any convertible securities;

(b) new Shares arising from exercising of share options or vesting of share awards, provided that the share options or share awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or subdivision of Shares.

Any adjustments made in accordance with sub-paragraphs (2)(a) or (2)(b) above shall only be made in respect of new Shares arising from convertible securities and Instruments which were issued and outstanding and/or subsisting at the time of the passing of this Resolution.

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company for the time being; and

(4) unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."
[See Explanatory Note (i)] **(Resolution 7)**

NOTICE OF ANNUAL GENERAL MEETING

7. **Authority to grant options and to allot and issue Shares under the Ntegrator Employee Share Option Scheme**

"That pursuant to Section 161 of the Act, the Directors of the Company be and are hereby authorised to offer and grant options in accordance with the provision of the Ntegrator Employee Share Option Scheme (the "**Scheme**") and to allot and issue such Shares as may be required to be allotted and issued pursuant to the exercise of the options under the Scheme provided always that the aggregate number of Shares to be allotted and issued pursuant to the Scheme shall not exceed twenty per cent (20%) of the total number of issued Shares excluding treasury shares and subsidiary holdings on the date preceding the grant of the option from time to time."
[See Explanatory Note (ii)] **(Resolution 8)**

By Order of the Board

Christian Kwok-Leun Yau Heilesen
Executive Director
Singapore, 31 July 2023

Explanatory Notes:

(i) Ordinary Resolution 7 proposed in item 6 above, if passed, will empower the Directors from the date of the passing of Ordinary Resolution 7 until the date of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, to allot and issue new Shares and Instruments in the Company. The aggregate number of new Shares (including Shares to be allotted and issued in pursuance of the Instruments made or granted pursuant to Ordinary Resolution 7), to be allotted and issued pursuant to Ordinary Resolution 7 shall not exceed one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company as at the date of the passing of Ordinary Resolution 7. For the allotment and issue of new Shares other than on a *pro rata* basis to shareholders of the Company, the aggregate number of new Shares (including Shares to be allotted and issued in pursuance of the Instruments made or granted pursuant to Ordinary Resolution 7), to be allotted and issued pursuant to Ordinary Resolution 7 shall not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company as at the date of the passing of Ordinary Resolution 7. This authority will, unless previously revoked or varied at a general meeting, expire at the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

(ii) Ordinary Resolution 8 proposed in item 7 above, if passed, will empower the Directors, to grant options and to allot and issue Shares upon the exercise of such options in accordance with the Scheme.

Important Notes to Shareholders on arrangements for the Annual General Meeting:

1. The Annual General Meeting will be held physically at 4 Leng Kee Road, #06-04, SIS Building, Singapore 159088 on 15 August 2023 (Tuesday) at 11.00 a.m. (Singapore Time). **There will be no option for members to participate virtually.**

2. No printed copies of the Annual Report for the financial year ended 31 December 2022 (the "**FY2022 Annual Report**") will be sent to members. Members may request for printed copies of the FY2022 Annual Report by completing and returning the request form (sent to them by post together with printed copies of this Notice of Annual General Meeting and the accompanying Proxy Form) no later than 7 August 2023. Printed copies of this Notice of Annual General Meeting and the Proxy Form will be sent to members. This Notice of Annual General Meeting, the Proxy Form and the FY2022 Annual Report may be accessed under the Announcements section of the Investor Relations webpage in the Company's website at the URL https://ntegrator.com/announcements, and are also available on SGXNET at the URL https://www.sgx.com/securities/company-announcements.

3. Arrangements relating to submission of comments, queries and/or questions to the Chairman of the Meeting in advance of and live at the Annual General Meeting of the Company, addressing of substantial and relevant comments, queries and/or questions at least 48 hours prior to the closing date and time for the lodgement of the Proxy Forms and during the Annual General Meeting, and voting live or appointing proxy(ies) (including the Chairman of the Meeting) to vote at the Annual General Meeting of the Company, are set out in this Notice of Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

4. **There will be no option for members to participate virtually at the Annual General Meeting. A member (whether individual or corporate) must vote live at the Annual General Meeting or must appoint proxy(ies) (including the Chairman of the Meeting) to attend, speak and vote on his/her/its behalf at the Annual General Meeting if such member wishes to exercise his/her/its voting rights at the Annual General Meeting.** The Proxy Form for the Annual General Meeting of the Company may be accessed at the Company's website at the URL https://ntegrator.com/announcements and is also available on SGXNET at the URL https://www.sgx.com/securities/company-announcements.

5. A member:

   (a) who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the Annual General Meeting. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.

   (b) who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Annual General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

6. CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective Agent Banks/SRS operators to submit their votes by 5.00 p.m. on 2 August 2023 (Singapore Time), being at least seven (7) working days before the date of the Annual General Meeting.

7. Duly appointed proxy(ies), including the Chairman of the Meeting acting as proxy, need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/its proxy.

8. **Submission of Proxy Forms**: The Proxy Form must be submitted to the Company in the following manner:

   (i) if submitted by post, be deposited at the registered office of the Company's Share Registrar, KCK CorpServe Pte. Ltd., at 1 Raffles Place #04-63 One Raffles Place Tower 2 Singapore 048616; or

   (ii) if submitted electronically, be submitted via email in Portable Document Format (PDF) format to the Company's Share Registrar at ntegrator-agm@kckcs.com.sg,

   in either case, by 11.00 a.m. on 12 August 2023 (Singapore Time), being at least **72 hours** before the time fixed for holding the Annual General Meeting of the Company and/or any adjournment thereof. A member who wishes to submit the Proxy Form must first complete and sign the Proxy Form, before submitting it by post to the address provided above, or by scanning and submitting it by way of electronic means via email to the email address provided above. **Members are strongly encouraged to submit the completed Proxy Forms by way of electronic means via email.**

9. **Submission of comments, queries and/or questions in advance of the Annual General Meeting**: Members may submit comments, queries and/or questions relating to the resolutions in the Notice of Annual General Meeting in advance of the Annual General Meeting of the Company, in the following manner:

   (i) if submitted by post, to the registered office of the Company's Share Registrar, KCK CorpServe Pte. Ltd., at 1 Raffles Place #04-63 One Raffles Place Tower 2 Singapore 048616; or

   (ii) if submitted electronically, by email to the Company's Share Registrar at ntegrator-agm@kckcs.com.sg,

   in either case, by 11.00 a.m. on 8 August 2023 (Singapore Time).

10. **Submission of comments, queries and/or questions live at the Annual General Meeting**: Members or (where applicable) their duly appointed proxy(ies) and representatives will also be able to raise comments, queries and/or questions at the Annual General Meeting of the Company itself.

11. **Addressing of comments, queries and/or questions**: The Management and the Board of Directors of the Company will endeavour to address all substantial and relevant comments, queries and/or questions received from members before the Annual General Meeting at least 48 hours prior to the closing date and time for the lodgement of the Proxy Forms by publishing the responses to those comments, queries and/or questions on SGXNET at the URL https://www.sgx.com/securities/company-announcements and the Company's website at the URL https://ntegrator.com/announcements by 11.00 a.m. on 10 August 2023. Where substantial and relevant comments, queries and/or questions submitted by members are unable to be addressed prior to the Annual General Meeting, the Company will address them at the Annual General Meeting.

12. **Annual General Meeting**: Members and (where applicable) duly appointed proxies and representatives may participate the Annual General Meeting physically at 4 Leng Kee Road, #06-04, SIS Building, Singapore 159088. **There will be no option for members to participate virtually.**

NOTICE OF ANNUAL GENERAL MEETING

13. **Minutes of the Annual General Meeting**: The minutes of the Annual General Meeting will be uploaded on the Company's corporate website at the URL https://ntegrator.com/announcements and on SGXNET at the URL https://www.sgx.com/securities/company-announcements within one (1) month from the date of the Annual General Meeting.

PERSONAL DATA PRIVACY:

"Personal data" has the same meaning ascribed to it in the Personal Data Protection Act 2012 of Singapore, which includes name, address, NRIC/passport number of a member of the Company ("**Member**") and proxy(ies) and/or representative(s) of a Member.

By submitting an instrument appointing a proxy(ies) (including the Chairman of the Annual General Meeting) and/or representative(s) to attend, speak and vote at the Annual General Meeting (the "**Meeting**") and/or any adjournment thereof, a Member (i) consents to the collection, use and disclosure of the Member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Member discloses the personal data of the Member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the Member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees to indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Member's breach of warranty. In addition, by attending the Meeting and/or any adjournment thereof, a Member consents to the collection, use and disclosure of the Member's personal data by the Company (or its agents or service providers) for any of the Purposes.

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Ntegrator Holdings Limited
(Incorporated in the Republic of Singapore)
(Company Registration Number 199904281D)

PROXY FORM
ANNUAL GENERAL MEETING

IMPORTANT:
1. The Annual General Meeting ("**AGM**") will be convened and held, in a wholly physical format, at 4 Leng Kee Road, #06-04, SIS Building, Singapore 159088 on 15 August 2023 (Tuesday) at 11.00 a.m. (Singapore Time). **There will be no option for members to participate virtually.**
2. The Notice of AGM, FY2022 Annual Report and this Proxy Form may be accessed at the Company's website at the URL https://www.ntegrator.com/announcements and are also available on SGXNET at the URL https://www.sgx.com/securities/company-announcements.
3. **A member (whether individual or corporate) must vote live at the AGM or must appoint proxy(ies) (including the Chairman of the AGM) to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.**
4. CPF/SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF agent banks or SRS operators to submit their votes by **5.00 p.m. on Wednesday, 2 August 2023 (Singapore Time)** (that is, at least seven (7) working days before the date of the AGM).
5. By submitting a Proxy Form, a member of the Company is deemed to have accepted and agreed to the personal data privacy terms set out in the Notice of AGM.
6. **Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of proxy(ies) (including the Chairman of the AGM) to vote at the AGM.**

I/We* ____________________ (Name) ____________________ (NRIC / Passport / Company Registration Number*)

of ____ (Address)

being a member of **Ntegrator Holdings Limited** (the "**Company**"), hereby appoint:

Name	*** NRIC/Passport No.**	**Proportion of Shareholdings**	
		Number of Shares	**%**
Address			

and/or* (delete as appropriate)

Name	*** NRIC/Passport No.**	**Proportion of Shareholdings**	
		Number of Shares	**%**
Address			

or failing *him/her/them, the Chairman of the AGM as my/our* proxy/proxies to attend, speak and vote for me/us* on my/our* behalf at the AGM to be convened and held at 4 Leng Kee Road, #06-04, SIS Building, Singapore 159088 on Tuesday, 15 August 2023 at 11.00 a.m. (Singapore Time) and at any adjournment thereof.

I/We* direct *my/our *proxy/proxies to vote for or against, or abstain from voting on, the resolutions to be proposed at the AGM as indicated hereunder.

All resolutions put to vote at the AGM shall be decided by way of poll.

Resolutions relating to:	**Number of Votes For#**	**Number of Votes Against#**	**Number of Votes Abstain#**
Ordinary Business			
1. To adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2022			
2. To re-elect Mr Leung Kwok Kuen Jacob as a Director of the Company (Retiring pursuant to Regulation 122)			
3. To re-elect Mr Leung Yu Tung Stanley as a Director of the Company (Retiring pursuant to Regulation 122)			
4. To re-elect Ms Zhou Jia Lin as a Director of the Company (Retiring pursuant to Regulation 122)			
5. To approve the payment of Directors' fees of S$228,001 for the financial year ended 31 December 2022			
6. To re-appoint RT LLP as the Company's Auditors and to authorise the Directors to fix their remuneration			
Special Business			
7. Authority to allot and issue new Shares in the capital of the Company and/or Instruments			
8. Authority to grant options and issue Shares under the Ntegrator Employee Share Option Scheme			

* Delete as appropriate.
# Voting will be conducted by poll. If you wish your proxy/proxies to cast all your votes For or Against a resolution, please indicate with a tick (✓) in the For or Against box provided in respect of that resolution. Alternatively, please indicate the number of votes For or Against in the For or Against box provided in respect of that resolution. If you wish your proxy/proxies to abstain from voting on a resolution, please indicate with a tick (✓) in the Abstain box provided in respect of that resolution. Alternatively, please indicate the number of shares that your proxy/proxies is directed to abstain from voting in the Abstain box provided in respect of that resolution. In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deem(s) fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the Annual General Meeting and at any adjournment thereof.

Dated this ________ day of ______________ 2023.

Total number of Shares in:	**Number of Shares**
(a) CDP Register	
(b) Register of Members	

____
Signature or Common Seal of Member

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register, you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, a Proxy Form shall be deemed to relate to all the Shares held by you.

2. Arrangements relating to submission of comments, queries and/or questions to the Chairman of the AGM in advance of and live at the AGM of the Company, addressing of substantial and relevant comments, queries and/or questions at least 48 hours prior to the closing date and time for the lodgement of the Proxy Forms and during the AGM, and voting live or appointing proxy(ies) (including the Chairman of the Meeting) to vote at the AGM of the Company, are set out in the Notice of AGM. The Notice of AGM may be accessed at the Company's website at the URL https://ntegrator.com/announcements and is also available on SGXNET at the URL https://www.sgx.com/securities/company-announcements.

3. The AGM will be held physically at 4 Leng Kee Road, #06-04, SIS Building, Singapore 159088 on 15 August 2023 (Tuesday) at 11.00 a.m. (Singapore Time). **There will be no option for members to participate virtually at the AGM.**

4. **A member (whether individual or corporate) must vote live at the AGM or must appoint proxy(ies) (including the Chairman of the Meeting) to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.** This Proxy Form may be accessed (a) via the Company's website at the URL https://ntegrator.com/announcements, and (b) via the SGX website at the URL https://www.sgx.com/securities/company-announcements.

5. A member:

   (a) who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.

   (b) who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

6. CPF/SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF agent banks or SRS operators to submit their votes by **5.00 p.m. on Wednesday, 2 August 2023 (Singapore Time)** (that is, at least seven (7) working days before the date of the AGM).

7. Duly appointed proxy(ies), including the Chairman of the AGM, acting as proxy, need not be a member of the Company.

8. A member of the Company who wishes to submit a Proxy Form must submit it to the Company in the following manner:

   (i) if submitted by post, be deposited at the registered office of the Company's Share Registrar, KCK CorpServe Pte. Ltd., at 1 Raffles Place #04-63 One Raffles Place Tower 2 Singapore 048616; or

   (ii) if submitted electronically, be submitted via email in Portable Document Format (PDF) format to the Company's Share Registrar at ntegrator-agm@kckcs.com.sg,

   in either case, by 11.00 a.m. on 12 August 2023 (Singapore Time), being at least 72 hours before the time fixed for holding the AGM of the Company and/or any adjournment thereof. A member who wishes to submit the Proxy Form must first complete and sign the Proxy Form, before submitting it by post to the address provided above, or by scanning and submitting it by way of electronic means via email to the email address provided above. **Members are strongly encouraged to submit the completed Proxy Forms by way of electronic means via email.**

9. Where a Proxy Form is executed by an individual, it must be executed under the hand of the individual or his/her attorney duly authorised in writing. Where a Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or officer duly authorised in writing.

10. Where a Proxy Form is signed on behalf of an individual or a corporation, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be submitted to the Company together with the Proxy Form, failing which the Proxy Form may be treated as invalid.

11. The Company shall be entitled to reject a Proxy Form if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form. In addition, in the case of a member of the Company whose Shares are entered against his/her/its name in the Depository Register, the Company may reject a Proxy Form if such member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at 72 hours before the time fixed for holding the AGM, as certified by the CDP to the Company.

12. Any amendments or modifications made in a Proxy Form must be initialled by the person who signs the Proxy Form.

CORPORATE **INFORMATION**

NOMINATING COMMITTEE
Leung Kwok Kuen Jacob (Chairman)
Leung Yu Tung Stanley
Zhou Jia Lin
Chay Yiowmin

REMUNERATION COMMITTEE
Leung Kwok Kuen Jacob (Chairman)
Leung Yu Tung Stanley
Zhou Jia Lin
Chay Yiowmin

AUDIT COMMITTEE
Chay Yiowmin (Chairman)
Leung Yu Tung Stanley
Leung Kwok Kuen Jacob
Zhou Jia Lin

COMPANY SECRETARY
Gn Jong Yuh Gwendolyn

REGISTERED OFFICE
4 Lee Keng Road
#06-04 SIS Building
Singapore 159088
Tel: (65) 6479 6033
Fax: (65) 6472 2966
Website: ntegrator.com

SHARE REGISTRAR
KCK CorpServe Pte. Ltd.
1 Raffles Place
#04-63 One Raffles Place
Singapore 048616

INDEPENDENT AUDITOR
RT LLP
70 Shenton Way
#07-15 Eon Shenton
Singapore 079118
Partner-in-charge: Mr. Kenneth Ng Boon Chong
Appointed since financial year ended 31 December 2022

PRINCIPAL BANKERS
DBS Bank Ltd
United Overseas Bank Ltd

INVESTOR RELATIONS CONTACT
Ntegrator Holdings Limited
4 Lee Keng Road
#06-04 SIS Building
Singapore 159088
Tel: (65) 6479 6033
ir@ntegrator.com

SPONSOR
PrimePartners Corporate Finance Pte. Ltd.
16 Collyer Quay
#10-00 Collyer Quay Centre
Singapore 049318

BOARD OF DIRECTORS
Chay Yiowmin
Independent Non-Executive Chairman

Christian Kwok-Leun Yau Heilesen
Executive Director

Leung Kwok Kuen Jacob
Independent Non-Executive Director

Leung Yu Tung Stanley
Independent Non-Executive Director

Zhou Jia Lin
Independent Non-Executive Director

Tao Yeoh Chi
Independent Non-Executive Director

Han Meng Siew
Executive Director

NTEGRATOR

TODAY'S INTEGRATION, TOMORROW'S SOLUTION

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